

Rand Mining NL
ABN 41 004 669 658

Annual Report
For The Year Ended 30 June 2010

Rand Mining NL
Corporate Directory

Directors

O Demis
A Billis
G Sklenka

Company Secretary and Chairman

O Demis

Joint Company Secretary

R Berzins

Registered Office

Suite G1, 49 Melville Parade
SOUTH PERTH WA 6151
Tel: +61 8 9474 2113
Fax: +61 8 9367 9386

PO Box 307
WEST PERTH WA 6872

Web Site

www.randmining.com.au

Share Registry

Advanced Share Registry Services Limited
150 Stirling Hwy
Nedlands WA 6009
Telephone: 08 9389 8033
Fax: 08 9389 7871

Bankers

ANZ Bank
PERTH WA 6000

Auditors

Grant Thornton (WA) Partnership
PO Box 570
PERTH WA 6872

Stock Exchange Listing

The Company's shares are quoted on the Official List of Australian Stock Exchange Limited. The ASX Code is RND.

Rand Mining NL
Contents

Corporate Directory	1
Review of Operations	3
Directors' Report	10
Auditor's Independence Declaration	18
Corporate Governance Statement	19
Consolidated Statements of Comprehensive Income	23
Consolidated Statement of Financial Position	25
Consolidated Statement of Changes in Equity	26
Consolidated Statement of Cash Flows	27
Notes to the Financial Statements	28
Directors' Declaration	66
Independent Audit Report	67
Competent Person's Consent Forms	70
Shareholder Information	78

Rand Mining NL Review of Operations

East Kundana Joint Venture

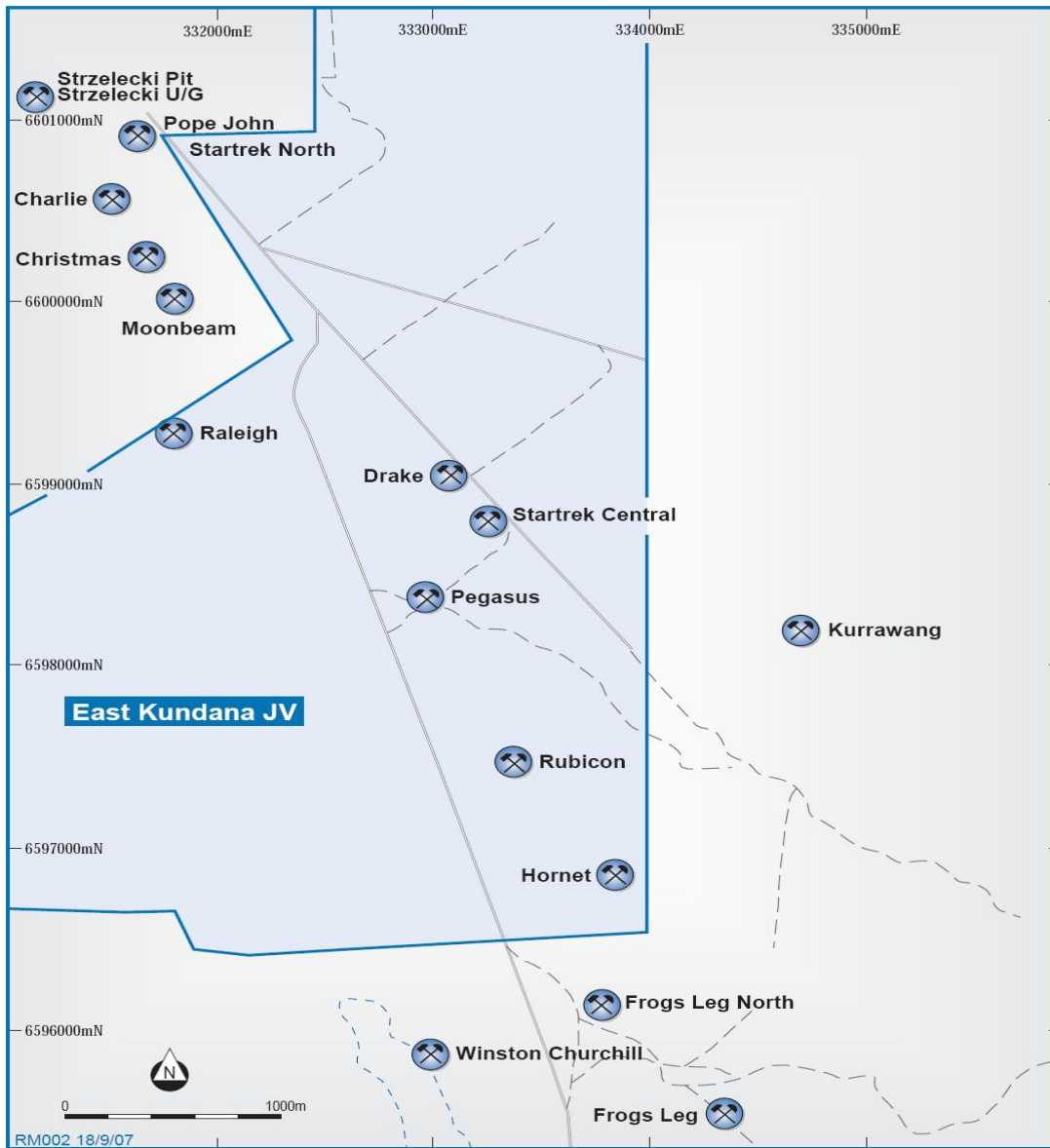
The EKJV is located 25km west north west of Kalgoorlie and 47km north east of Coolgardie.

The East Kundana Joint Venture (EKJV) is between Rand Mining NL (12.25%), Tribune Resources NL (36.75%) and Gilt-Edged Mining NL (51%) a wholly owned subsidiary of Barrick Australia Pacific Limited.



RAND MINING N.L.
KUNDANA PROJECT
Location Map

Rand Mining NL Review of Operations



RAND MINING N.L.
EAST KUNDANA JOINT VENTURE
Deposit Locations

Note: The Joint Venture deposits are located within the blue shaded area. Other deposits indicated on this map do not belong to either Rand Mining NL or the Joint Venture.

Mining

During the year ending 30 June 2010, 339,660 tonnes of ore were extracted from the 6136 to 5812 stopes and development headings spanning 5847 to 5688 levels of the Raleigh Underground mine. The grade increased to 13.4 g/t, from 12.6 g/t in the previous year.

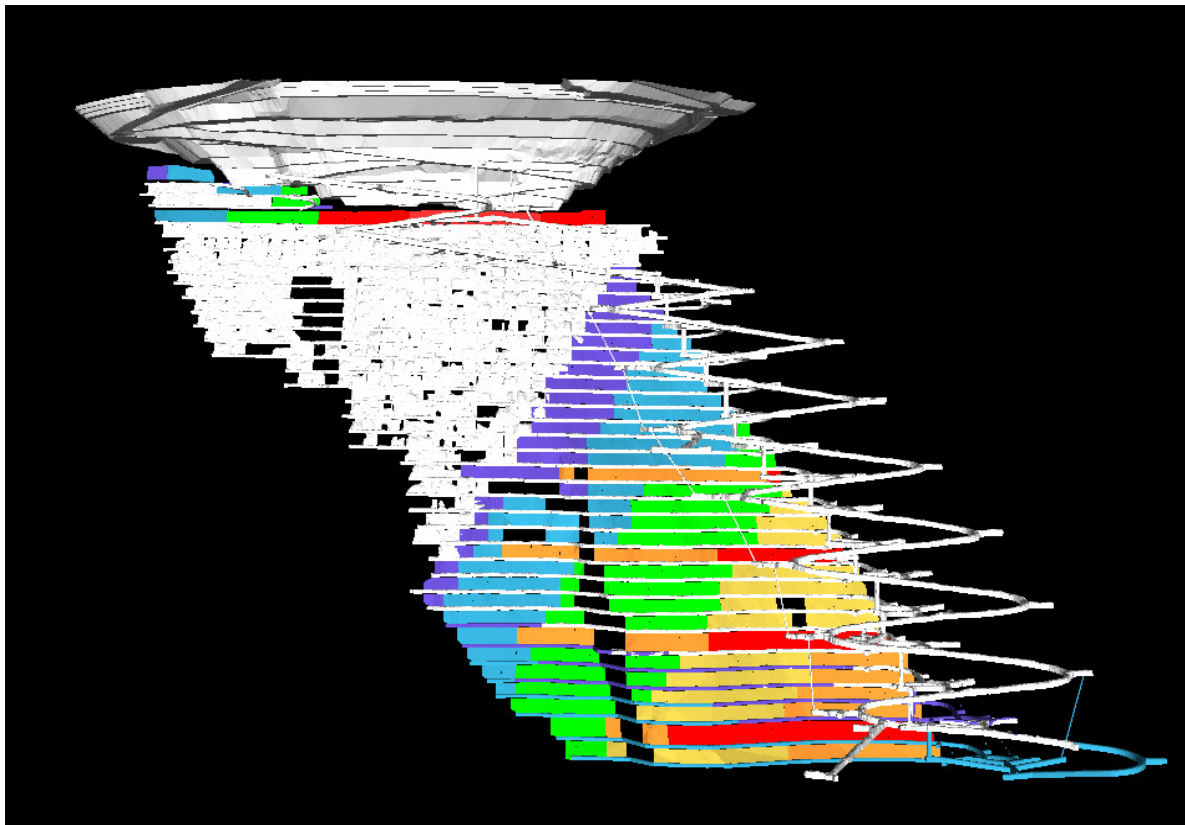
Rand's entitlement to the ore extracted was 42,458 tonnes, compared to 38,564 tonnes the previous year.

The sequence of stoping and mine development until the end of 2015 in the current LOM plan is shown below, where white represents all stoping and development completed at 30 June 2010, purple last half of 2010, blue

Rand Mining NL
Review of Operations

2011, green 2012, yellow 2013, orange 2014 and red 2015.

The stopping front is advanced at a diagonal to minimise the impact of the high regional stress field at depth.



During the year, the second drill drive was completed and the first phase of the Raleigh Deeps drilling programme was started and is expected to be completed in early 2011. The aim is to define the resource between the 5600 mRL (limit of the current LOM) and the 5300 mRL.

Year	Raleigh Production		
	Mined (t)	Grade (g/t)	Gold (oz)
06/07	239,700	16.6	127,700
07/08	234,400	11.9	89,800
08/09	308,512	12.6	124,962
09/10	339,660	13.4	146,670
RAND'S ENTITLEMENT	42,458	13.4	18,334

Processing

During the year ending 30 June 2010, 184,349 tonnes of Rand and Tribune Group's share of EKJV ore was processed in four campaigns at the Greenfields Plant located near Coolgardie.

Rand Mining NL
Review of Operations

Rand and Tribune Group Processing			
Campaign	From	To	Processed (t)
11	01 Jul 09	03 Aug 09	45,399
12	01 Nov 09	28 Nov 09	27,782
12A	20 Feb 10	17 Mar 10	51,618
14	17 May 10	16 Jun 10	59,550
	01 Jul 09	30 Jun 10	184,349
	01 Jul 08	30 Jun 09	99,272
	01 Jul 07	30 Jun 08	146,531
	01 Jul 06	30 Jun 07	101,208
	01 Jul 05	30 Jun 06	52,400

Note: Campaign 11 started on 22 June 2009 - See ASX Release on Campaign 11 dated 16 September 2009

During the year ending 30 June 2010, 77,624.159 ounces of gold and 12,019.788 ounces of silver were credited to the Rand and Tribune Group Bullion Account.

Rand's share of the gold bullion was 19,406.036 ounces compared to 8,119.523 ounces the previous year.

Rand and Tribune Group Bullion				Rand's Share
To	From	Gold (oz)	Silver (oz)	Gold (oz)
01 Jul 09	30 Jun 10	77,624.159	12,019.78	19,406.036
01 Jul 08	30 Jun 09	32,478	8	8,119
01 Jul 07	30 Jun 08	59,638	4,649	14,909
			8,048	
01 Jul 06	30 Jun 07	49,335	6,640	12,333
01 Jul 05	30 Jun 06	25,599	3,951	6,399

Project Development

Agreements are being drafted for the financing and development of the Rubicon-Pegasus-Hornet project with a financial institution and with Barrick, The project is expected to start before the end of 2010.

Exploration

Minimal regional exploration was performed during the year due to the large commitments on the drilling of the Raleigh Deeps.

Exploration – Other Areas

Seven Mile Hill (50%)

Discussions to farm out the Seven Mile Hill tenements are continuing.

Rand Mining NL
Review of Operations

Wongan Hills (100%)

This project consists of a single Exploration Licence centred near Wongan Hills in the Wheatbelt of Western Australia. The geology of this area comprises Achaean granites, and later Proterozoic dolerite dykes. Uranium mineralisation has been reported from this area over the years since the 1950s. No economic deposits are as yet known in this area, but the area is considered prospective for uranium and vanadium mineralisation. During the year reconnaissance exploration was carried out which resulted in the delineation of several anomalies for follow up exploration. The company is reviewing these targets with a view to planning further work.

Rand Mining NL
Review of Operations

Resources & Reserves

MINERAL RESOURCES including ORE RESERVES on EKJV LEASES at 30 JUNE 2010 (subject to rounding errors)										
	ENTITLEMENT	MEASURED		INDICATED		INFERRED		TOTAL RESOURCE		
	(%)	(t)	Au (g/t)	(t)	Au (g/t)	(t)	Au (g/t)	(t)	Au (g/t)	Au (oz)
Raleigh Underground										
M16/157	0.0	54,497	21.6	1,153	15.1	80	7.8	55,729	21.4	38,377
M15/993	12.5	554,192	23.3	404,874	15.0	122,722	14.3	1,081,789	19.2	667,689
Hornet Open Pit	12.25	136,000	3.3	63,000	3.7	130,000	2.5	329,000	3.1	32,373
Hornet Underground	12.25	-	-	464,000	13.8	242,000	11.2	706,000	12.9	292,605
Rubicon Underground	12.25	-	-	93,000	23.0	235,000	12.3	328,000	15.3	161,821
Pegasus Underground	12.25	-	-	213,000	10.7	111,000	8.5	324,000	10.0	103,895
Total Mineral Resource on EKJV Leases		744,688	19.5	1,239,027	13.9	840,802	10.3	2,824,518	14.3	1,296,760
The Competent Persons' Consents in the form and context in which it appears on pages 70 to 77.										

MINERAL RESOURCES including ORE in GREENFIELDS STOCKPILES at 30 JUNE 2010										
	ENTITLEMENT	MEASURED		INDICATED		INFERRED		TOTAL RESOURCE		
	(%)	(t)	Au (g/t)	(t)	Au (g/t)	(t)	Au (g/t)	(t)	Au (g/t)	Au (oz)
Rubicon Stockpile	25.0	23,500	13.5	-	-	-	-	23,500	13.5	10,199
Greenfields Stockpiles	25.0	9,000	12.8	-	-	-	-	9,000	12.8	3,704
Rand's Entitlement	EKJV Leases	85,934	19.4	152,652	13.9	103,295	10.3	341,881	14.2	155,821
	Leases + Stockpiles	98,059	18.9	152,652	13.9	103,295	10.3	350,006	14.2	159,297
The Competent Persons' Consents in the form and context in which it appears on pages 70 to 77.										

Rand Mining NL
Review of Operations

ORE RESERVES on EKJV LEASES at 30 JUNE 2010 (subject to rounding errors)								
	ENTITLEMENT	PROVED		PROBABLE		PROVED + PROBABLE		
	(%)	(t)	Au (g/t)	(t)	Au (g/t)	(t)	Au (g/t)	Au (oz)
Raleigh Underground								
M16/157	0.0	51,455	13.5	245	9.1	51,700	13.5	22,430
M15/993	12.5	647,364	15.6	315,450	11.0	962,814	14.1	435,040
Hornet Open Pit	12.25	135,000	3.3	45,000	4.0	180,000	3.5	20,110
Hornet Underground	12.25	-	-	596,000	9.6	596,000	9.6	183,953
Rubicon Underground	12.25	-	-	138,000	11.3	138,000	11.3	50,136
Pegasus Underground	12.25	-	-	167,000	9.3	167,000	9.3	50,044
Total Ore Reserve on EKJV Leases		833,819	13.5	1,261,695	9.9	2,095,514	11.3	761,713
The Competent Persons' Consents in the form and context in which it appears on pages 70 to 77.								

ORE RESERVES including ORE in GREENFIELDS STOCKPILES at 30 JUNE 2010								
	ENTITLEMENT	PROVED		PROBABLE		PROVED + PROBABLE		
	(%)	(t)	Au (g/t)	(t)	Au (g/t)	(t)	Au (g/t)	Au (oz)
Rubicon Stockpile	25.0	23,500	13.5	-	-	23,500	13.5	10,199
Greenfields Stockpiles	25.0	9,000	12.8	-	-	9,000	12.8	3,704
Rand's Entitlement	EKJV Leases	97,458	13.5	155,316	9.9	252,774	11.3	91,650
	Leases + Stockpiles	105,583	13.5	155,316	9.9	260,899	11.3	95,126
The Competent Persons' Consents in the form and context in which it appears on pages 70 to 77.								

Notes to tables:

- The gold price used for Raleigh Resources was US\$975/oz and for Raleigh Reserves was US\$1100/oz
- The Resources and Reserves for Hornet, Rubicon and Pegasus are those reported last year. The gold price was US\$625/oz.
- Under the EKJV legal documentation, Tribune was entitled to a benefit for the use of EKJV capital to mine Raleigh ore located on M16/157, forming the extensions of the Raleigh Underground Ore Reserve within Kundana Gold Pty Limited lease for payment of a Lease Fee for the first five years of operation.
- Raleigh Ore mined from M15/993 & M16/157 is subject to an Ore Division Agreement whereby the Raleigh Ore is divided equally between Gilt Edge Mining NL (Barrick) and the R&T Group.

Rand Mining NL Directors' Report

The directors submit their report on the Company and its controlled entities for the year ended 30 June 2010.

Directors

The names and details of the directors of the Company in office at any time during or since the end of the year are:

Director Mr Otakar Demis
Appointed 29 November 1985
Age 67
Position Executive Chairman & Company Secretary
Experience & Expertise Chairman and Company Secretary appointed in 1985 and is a private investor and businessman with several years experience as a Director of the Company.
Other current Directorships of listed companies Executive Director & Company Secretary of Tribune Resources NL since 1990.

Director Mr Anthony Billis
Appointed 22 January 2003
Age 66
Position Executive Director
Experience & Expertise Mr Billis has over 25 years experience in gold exploration within the mining industry in Western Australia. He has been involved in the exploration and development of the Kundana project for over 20 years.
Other current directorships of listed companies Executive Director of Tribune Resources NL since 2003.

Director Mr Gordon Sklenka – BCom
Appointed 16 August 2004
Age 48
Position Non-Executive Director
Experience & Expertise Mr Sklenka has worked in Chartered Accounting, Stockbroking and Corporate Advisory in both Perth and Sydney and has in excess of 15 years experience in corporate finance in the resources and technology industries predominantly focusing on capital raisings, IPOs, acquisitions and project finance.
Other current directorships of listed companies Non-executive Director of Regal Resources Ltd since 2003 and resigned on 16 June 2009, Tribune Resources NL since 2004, AXG Mining Ltd since 2005, Advance Energy Ltd since 2005, Vector Resources Ltd since 2004 and Kilgore Oil and Gas Ltd since 2008.

Company Secretary

The joint company secretary is Mr Roland Berzins, B. Comm, ACPA, FFIN, TA. Mr Berzins was appointed to the position of joint company secretary on 11 March 2009. Mr Berzins has over 20 years experience in the mining industry. He was previously Chief Accountant for 6 years at Kalgoorlie Consolidated Gold Mines Pty Ltd ("Kalgoorlie Super Pit").

In addition, Mr Berzins has worked as a Senior Mining Analyst for the former BHP iron ore division and has worked for the Mt Newman, Koolan and Cockatoo iron ore project. Since 1996 Mr Berzins has been Company Secretary for a variety of ASX Listed Companies, and has also had experience in retail, merchant banking, venture capital and SME business advisory.

Rand Mining NL Directors' Report

Principal Activities

The principal activities of the Company during the year were exploration, development and production activities at the Company's East Kundana Joint Venture tenements.

Review of Operations

The activities of the Company were focused on the East Kundana Joint Venture Project. During the year processing of ore from the Raleigh Underground Mine continued at Higginsville Mining Pty Ltd's Greenfields plant on a toll treatment basis. A more detailed review of operations is contained in Review of Operations of this Annual Report.

Operating Results

The profit/(loss) of the consolidated entity after income tax was \$4,148,967 [2009:\$ 1,721,585].

Changes in State of Affairs

Other than noted below during the course of the financial year ended 30 June 2010, there were no significant changes to the state of affairs of the Company.

Subsequent Events

Other than those listed below there have been no subsequent events since balance date which would have had a significant effect of the Company's financial position.

Likely Developments

The Company intends to continue its exploration, development and production activities on its existing tenements and to acquire further suitable tenements for exploration as opportunities arise.

Environmental Regulations

The Company is subject to and compliant with all aspects of environmental regulation of its exploration and mining activities. The directors are not aware of any environmental law that is not being complied with.

Greenhouse gas and energy data reporting requirements

The consolidated entity is subject to the reporting requirements of both the *Energy Efficiency Opportunities Act 2006* and the *National Greenhouse and Energy Reporting Act 2007*.

The Energy Efficiency Opportunities Act 2006 requires the consolidated entity to assess its energy usages, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the consolidated entity intends to take as a result. As a result of this Act, the consolidated entity, via its participation in the EKJV has registered with the Department of Resources, Energy and Tourism as a participant entity and reported the results from its initial assessments before 31 December 2008.

The National Greenhouse and Energy Reporting Act 2007 require the consolidated entity, via its participation in the EKJV, to report its annual green house gas emissions and energy use. The first measurement period for this Act ran from 1 July 2008 to 30 June 2009. The consolidated entity has implemented systems and processes for the collection and calculation of data.

Rand Mining NL
Directors' Report

Dividends

No dividends have been paid by the Company during the year ended 30 June 2010 [2009: \$Nil] nor have the directors recommended that any dividend be paid.

Directors' Meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director.

Director	Directors' meetings held while a director	Number of directors' meetings attended
O Demis	11	11
A Billis	11	11
G Sklenka	11	11

Director's Shareholdings

As at the date of this report, the following represents shares and options held by directors in the Company.

	Ordinary Shares		Options over Ordinary Shares	
	Direct	Indirect	Direct	Indirect
O Demis	4,800	26,624,801	-	-
A Billis	14,000	41,268,848	-	3,000,000
G Sklenka	-	26,576,764	-	1,000,000

The indirect interest in the Company's shares includes, where applicable, the shareholding of the following companies by virtue of the relevant director being a director of:

Tribune Resources NL (holds 26,576,764 shares)

- O Demis
- A Billis
- G Sklenka

Trans Global Capital Ltd (holds 7,899,584 shares)

- A Billis

Lake Grace Exploration Pty Ltd (holds 2,917,000 shares)

- A Billis

Sierra Gold Pty Ltd (holds 2,100,000 shares)

- A Billis

Resource Capital Ltd (holds 1,604,500 shares)

- A Billis

Nimby (WA) Pty Ltd (holds 171,000 shares)

- A Billis

O Demis Super Fund (holds 48,037 shares)

- O Demis

Rand Mining NL Directors' Report

The indirect interest in the Company's options includes, where applicable, the shareholding of the following companies by virtue of the relevant director being a director of:

Resource Capital (3,000,000 options)

- A Billis

Formaine Pty Ltd (holds 1,000,000 options)

- G Sklenka

Remuneration Report (audited)

The Remuneration report is set out below.

The information provided in the Remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

A. Principles used to determine the nature and amount of remuneration

Remuneration levels for directors, officers and senior managers of the consolidated entity are competitively set to attract and retain appropriately directors and senior executives.

The full Board determines remuneration packages provided for directors, officers and senior managers.

The Board, where appropriate, seeks independent advice on remuneration policies and practices, involving the remuneration packages and terms of employment.

The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders.

Fixed remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles), as well as employer contributions to superannuation funds.

Remuneration levels are reviewed annually by the Board where applicable.

Performance-linked remuneration

Performance-linked remuneration is designed for rewarding executive directors, officers and senior management for their role in achieving corporate objectives and is directly linked to the creation of shareholder value.

This incentive is provided under terms and conditions determined at the time of issue by the Board.

Directors' fees

The Company pays directors' fees to both executive and non-executive directors.

The current base remuneration was last reviewed with effect from 1 September 2006.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at \$160,000 per annum and was approved by shareholders at the Company's 2005 Annual General Meeting.

Rand Mining NL
Directors' Report

The following fees have applied:

Base fees	From 1 January 2007
Chairman	\$20,000
Executive directors	\$50,000
Non-executive directors	\$20,000

There are no termination or retirement benefits for non-executive directors other than statutory superannuation.

Informal performance evaluations for senior executives took place during the reporting period in accordance with disclosed processes.

B. Details of remuneration (audited)

Details of remuneration of directors and key management personnel (as defined in AASB124: Related Party Disclosures) of the consolidated entity are set out in the following table.

The key management personnel of the Company and the consolidated entity includes the directors Anthony Billis, Otakar Demis and Gordon Sklenka and the following executive officers, who are also among the 5 highest paid executives of the consolidated entity.

John Andrews Manager of Kalgoorlie Operations (from 25 January 2007).
Roland Berzins Joint Company Secretary (from 11 March 2009).

Details of remuneration for the Company and the consolidated entity:

2010	Short-term benefits			Post employment	Share based payment	Total	Equity total %
	Cash salary and fees (A) \$	Bonus (B) \$	Non- monetary benefits (C) \$	Super- annuation (D) \$	Options/shares (E) \$		
Non-Executive Directors							
G Sklenka	20,000	-	-	-	-	20,000	-
Sub-total	20,000	-	-	-	-	20,000	-
Executive Directors							
A Billis	83,501	-	43,773	25,000	-	152,274	-
O Demis	20,000	-	-	1,800	-	21,800	-
Sub-total	103,501	-	43,773	26,800	-	174,074	-
Other Key Management Personnel							
J Andrews	78,411	-	8,439	25,000	-	111,850	-
R Berzins	30,000	-	-	-	-	30,000	-
Sub-total	108,411	-	8,439	25,000	-	141,850	-
Total	231,912		52,212	51,800	-	335,924	-

Rand Mining NL
Directors' Report

2009	Short-term benefits			Post employment	Share based payment	Total	Equity total %
	Cash salary and fees (A) \$	Bonus (B) \$	Non- monetary benefits (C) \$	Super- annuation (D) \$	Options/shares (E) \$		
Non-Executive Directors							
G Sklenka	20,000	-	-	-	-	20,000	-
Sub-total	20,000	-	-	-	-	20,000	-
Executive Directors							
A Billis	37,710	66,222	57,653	62,483	-	224,068	-
O Demis	20,000	-	-	1,800	-	21,800	-
Sub-total	57,710	66,222	57,653	64,283	-	245,868	-
Other Key Management Personnel							
J Andrews	35,698	6,587	871	57,076	-	100,232	-
R Berzins*	9,286	-	-	-	-	9,286	-
Sub-total	44,984	6,587	871	57,076	-	109,518	-
Total	122,694	72,809	58,524	121,359	-	375,386	-

* From 11 March 2009.

Notes to the tables:

- (A) Includes cash salary, director's fees and annual leave payouts;
- (B) Cash bonuses paid during the year;
- (C) Includes car and housing plus applicable fringe benefits tax payable on benefits;
- (D) Superannuation payable in accordance with applicable legislation;
- (E) The assessed fair value of the options at grant date is determined using a binomial lattice model that takes into account the exercise price, term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option;
- (F) Represents the value of options included in remuneration as a percentage of total remuneration.

C. Service contracts

The consolidated entity has not entered into service agreements with any executive director.

Employment of executives is subject to 4 weeks' notice and is not subject to any termination payments other than those required by law.

Major provisions relating to remuneration are set out below:

A Billis, *Managing Director*

- Term – on-going subject to re-election at Annual General Meetings every 2 years.
- Base salary, inclusive of superannuation, for the year ended 30 June 2010 of \$108,501 to be reviewed annually by the board of directors. The Company also provides housing and motor vehicle benefits to Mr Billis.

Rand Mining NL Directors' Report

O Demis, *Company Secretary*

- Term – on-going subject to re-election at Annual General Meetings every 2 years
- Base salary, inclusive of superannuation, for the year ending 30 June 2010 of \$21,800.

R Berzins, *Company Secretary*

- Base fees, for the year ended 30 June 2010 \$30,000.

J Andrews, *Manager of Kalgoorlie Operations*

- Term – on-going commencing 25 January 2007.
- Base salary, inclusive of superannuation for the year ended 30 June 2010 of \$103,411. The Company also provides motor vehicle benefits to Mr Andrews.

E. Additional Information

Principles Used to Determine the Nature and Amount of Remuneration: Relationship between Remuneration and Company Performances

Due to the nature and size of the Company the level of remuneration is aligned with market conditions of persons holding similar positions in similar mining and exploration companies. The level of remuneration is reviewed annually by the Board and the process consists of a review of Company and individual performance, and relevant comparative remuneration in the market.

Proceedings on behalf of the Company

The Company was not a party of any proceedings during the year.

Share Options

Unissued ordinary shares of the Company under option at the date of this report are as follows:

	Number	Exercise Price	Expiry Date
Unlisted Options	500,000	\$1.00	1 October 2010
Unlisted Options	4,000,000	\$0.60	29 August 2012

During the year no options expired, no options were issued and no options were exercised.

Insurance and Indemnity of Officers

During the year the Company paid an insurance premium in respect of a Directors' and Officers' Liability Insurance Contract. The insurance premium relates to liabilities that may arise from an officers' position with the exception of insolvency, conduct involving a wilful breach in relation to the Company ; or a contravention of section 182 or 183 of the *Corporations Act 2001*, an entity that is involved in any joint venture or, partnership or enterprise carried on in common with the Company, Outside Directorships, any Outside Entity or Non Profit Outside Entity or any vehicle or entity established to conduct such joint venture partnership or enterprise. The officers covered by the contract of insurance are the directors and officers of the Company.

The contract of insurance prohibits the disclosure of the nature of the liabilities and the amount of premium.

Non-Audit Services

During the previous year the entities related to the Company's auditor, Grant Thornton (WA) Partnership, have performed certain other services in addition to their statutory duties.

Rand Mining NL
Directors' Report

The Board has considered the non-audit services provided during the year and is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services were subject to corporate governance procedures adopted by the Company and have been reviewed by the Board to ensure they do not impact with the integrity and objectivity of the auditor; and
- The non-audit services provided do not underestimate the general principles relating to auditor independence as set out in the Professional Statement FI, as they did not involve reviewing or auditing the auditors' own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2010	2009
	\$	\$
Grant Thornton Audit Pty Ltd – Auditors of the consolidated entity		
Audit and review of the financial statements	55,000	53,000
BDO WA (Audit) Pty Ltd – Auditors of Onslow Resources Ltd		
Audit and review of financial statements	10,000	-
Taxation services	94,277	-
	<u>159,277</u>	<u>53,000</u>

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 18.

Auditor

Grant Thornton (WA) Partnership continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors.



A Billis
Director
Perth, Western Australia
30 September 2010

Grant Thornton Audit Pty Ltd
ABN 94 269 609 023

10 Kings Park Road
West Perth WA 6005
PO Box 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

**Auditor's Independence Declaration
To the Directors of Rand Mining NL**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Rand Mining NL for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Director - Audit & Assurance

Perth, 30 September 2010

Rand Mining NL Corporate Governance Statement

Corporate Governance

The Board of Directors of Rand Mining NL is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Rand Mining NL on behalf of the shareholders by whom they are elected and to whom they are accountable.

Rand Mining NL's Corporate Governance Statement is structured with reference to the Corporate Governance Council's principles and recommendations (2nd edition), which are as follows:

Principle 1	Lay solid foundations for management and oversight
Principle 2	Structure the board to add value
Principle 3	Promote ethical and responsible decision-making
Principle 4	Safeguard integrity in financial reporting
Principle 5	Make timely and balanced disclosure
Principle 6	Respect the rights of shareholders
Principle 7	Recognise and manage risk
Principle 8	Remunerate fairly and responsibly

Rand Mining NL's corporate governance practices were in place throughout the year ended 30 June 2010 and were fully compliant with the Council's best practice recommendations, unless otherwise stated.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time.

During the financial year the Company has complied with each of the 8 Essential Corporate Governance Principles and the corresponding Best Practice Recommendations, other than in relation to the matters specified below:

Recommendation	Rand's current practice
1.1 Formalise and disclose functions reserved to the board and those delegated to management.	Satisfied. Board charter available at: www.randmining.com.au .
2.1 A majority of the board should be independent directors.	Not satisfied. The Board has considered this and believes that the structure is effective for the current range of duties of the Board to be properly discharged.
2.2 The chairperson should be an independent director.	Not satisfied. The Board believes that the Chairman, Mr Otakar Demis, brings quality and independent judgement to all relevant issues falling within the scope of the role of Chairman.
2.3 Roles of chairperson and CEO should not be exercised by same person.	Satisfied.
2.4 The board should establish a nomination committee.	Not Satisfied. The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification or attributes required in new Directors.

Rand Mining NL
Corporate Governance Statement

Recommendation	Rand's current practice
<p>2.5 Report in Annual Report on: skills, experience and expertise relevant to the position of director held by each director. names of the independent directors and materiality thresholds.</p> <p>whether there is a procedure agreed by the board for directors to take independent advice at the expense of the company.</p> <p>term of office held by each existing director.</p> <p>names of members of nomination committee and attendance</p>	<p>Satisfied. Included in Directors' Report.</p> <p>Satisfied. Included in Directors Report.</p> <p>Each director has a right to seek independent professional advice at the Company's expense. However, prior approval of the Chairman is required, which is not unreasonably withheld.</p> <p>Satisfied. Included in Directors' Report.</p> <p>No nomination committee has been established – refer 2.4 above.</p>
<p>3.1 Establish a code of conduct</p>	<p>Satisfied. Code of conduct available at www.randmining.com.au.</p>
<p>3.2 Disclose policy concerning trading in company's securities by directors, officers and employees involved in material transactions or privy to material information.</p>	<p>Satisfied. Trading in securities policy available at www.randmining.com.au.</p>
<p>4.1 The board should establish an audit committee.</p>	<p>Not Satisfied. The Board believes that the Company is not of a size, nor is its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the functions normally associated with an audit committee.</p>
<p>4.2 Structure the audit committee so that it consists of only non-executive directors, a majority of independent directors and the chairperson is independent and not the chair of the board and it has at least three members.</p>	<p>Not Satisfied. Refer 4.1.</p>
<p>4.3 The audit committee should have a formal charter.</p>	<p>Not Satisfied. Refer 4.1.</p>
<p>5.1 Establish and disclose written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior management level for that compliance.</p>	<p>Satisfied. Continuous disclosure policy available at www.randmining.com.au.</p>
<p>6.1 Design and disclose a communications policy to promote effective communication with shareholders and encourage effective participation at general meetings.</p>	<p>Satisfied. Communications with shareholders policy available at: www.randmining.com.au.</p>
<p>7.1 The board or appropriate board committee should establish and disclose policies for the oversight and management of material business risks.</p>	<p>Satisfied. Risk Management Policy available at: www.randmining.com.au.</p>

Rand Mining NL
Corporate Governance Statement

Recommendation	Rand's current practice
7.2 The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those are being management effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Satisfied.
7.3 The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all respects in relation to financial reporting risks.	Satisfied. Included in Directors Report.
8.1 The board should establish a remuneration committee.	<p>Not satisfied. The Board considers that at the Company's stage of development no benefits or efficiencies are to be gained by delegating this function to a separate committee.</p> <p>The Board reviews the remuneration packages and policies applicable to the managing director, senior executives and non-executive directors on an annual basis. Remuneration levels are competitively set to attract the most qualified and experienced directors and senior executives. Where necessary the board obtains independent advice on the appropriateness of remuneration packages.</p>
8.2 Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Satisfied. Included in Directors' Report.

Structure of the Board

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report.

Ethical Standards

All Directors and employees are expected to act with the utmost of integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Conflict of Interest

In accordance with the Corporation Act 2001, Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Where the Board believes that a significant conflict exists the Director concerned is unable to vote at the meeting.

Rand Mining NL Corporate Governance Statement

Directors Dealings in Company Securities

The Constitution permits Directors to acquire securities in the Company. In accordance with the provisions of the Corporations Act 2001 and the Listing Rules of the Australian Stock Exchange, the Company on behalf of the Directors must advise the Australian Stock Exchange of any transactions conducted by them in shares and/or options in the Company.

Nomination Committee

The role of the Nomination Committee has been assumed by the full Board. The size and scope of the Company's activities does not justify the establishment of such a Committee. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board are confident that this process for selection and review is stringent and full details of all Directors are provided to shareholders in the annual report and on the web.

Audit Committee

The Company does not have an Audit Committee. The role of the Audit Committee has been assumed by the full Board.

Performance Evaluation

During the financial year an evaluation of the Board and its members was not formally carried out. To date, there has been no formal process in place for performance evaluation.

Company's Remuneration Policies

The board policy is to remunerate directors at market rates for time, commitment and responsibilities. The board determines payments to the directors and reviews remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time.

Full details of the objective and structure of directors remuneration is provided in the Remuneration Report in the Directors' Report.

Rand Mining NL
Consolidated Statement of Comprehensive Income
for the year ended 30 June 2010

		Consolidated	
		2010	2009
	Note	\$	\$
Revenues from operations	5	15,173,504	11,870,317
Other Income	6	(5,006)	(4,117)
Share of net profits of equity accounted investment		3,277,570	1,483,462
Changes in inventories of finished goods and work in progress		4,108,576	1,982,908
Employee benefits expense		(457,441)	(495,562)
Depreciation and amortisation expense	7	(3,279,374)	(1,862,495)
Impairment exploration expenditure		(641,133)	(71,843)
Impairment on available for sale financial assets		(160,847)	(1,017,554)
Impairment of mine development expenditure		(72,368)	(65,686)
Impairment of equity accounted investment		(1,754,240)	(522,100)
Loss on acquisition		(12,302)	-
Finance cost expenses	7	(471,289)	(1,047,871)
Doubtful debts		(81,067)	-
Administrative expenses		(627,527)	(237,061)
Management fees		(352,690)	(322,116)
Mining expenses		(6,368,809)	(5,544,623)
Processing expenses		(1,996,287)	(800,257)
Royalty expenses		(696,870)	(470,039)
		<hr/>	
Profit from operations before income tax expense		5,582,400	2,875,363
Income tax (expense)/benefit	8	(1,433,433)	(1,153,778)
		<hr/>	
Net Profit/(Loss) after income tax	9	4,148,967	1,721,585
		<hr/>	
Earnings per share			
Basic (cents per share)	29	8.44	4.24
Diluted (cents per share)	29	8.44	4.24

Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

The accompanying notes form part of these financial statements.

Rand Mining NL
Consolidated Statement of Comprehensive Income
as at 30 June 2010

	Note	Consolidated	
		2010 \$	2009 \$
Profit for the year		4,148,967	1,721,585
Other comprehensive income			
Gain on revaluation of land and buildings		380,000	50,001
Available-for-sale financial assets			
- current year gains/(losses)		(88,209)	(281,914)
- reclassification to profit or loss		160,847	1,017,554
Share of other comprehensive income of associates and joint ventures		62,214	62,868
Income tax relating to other comprehensive income		(26,439)	(266,009)
		<hr/>	<hr/>
Other comprehensive income for the year, net of tax		488,413	582,500
Total comprehensive income for the year attributable to members of the parent entity		4,637,380	2,304,085

Rand Mining NL
Consolidated Statement of Financial Position
as at 30 June 2010

	Note	Consolidated		
		2010	2009	2008
		\$	\$	\$
Current Assets				
Cash and cash equivalents	10	3,507,616	2,357,643	2,711,945
Trade and other receivables	11	810,016	179,295	94,225
Inventories	12	7,512,849	3,404,273	1,421,368
Total Current Assets		<u>11,830,481</u>	<u>5,941,211</u>	<u>4,227,538</u>
Non Current Assets				
Available for sale financial assets	13	438,322	526,532	895,949
Other financial assets	14	-	-	-
Investments accounted for using the equity method	15	11,285,248	8,942,928	7,918,698
Deferred tax asset	19	259,881	133,173	130,386
Exploration and Evaluation	16	2,927	-	-
Mine Development	17	5,008,870	5,201,296	4,221,298
Property, Plant and Equipment	18	2,900,783	2,659,710	2,602,151
Total Non Current Assets		<u>19,896,031</u>	<u>17,463,639</u>	<u>15,768,482</u>
Total Assets		<u>31,726,512</u>	<u>23,404,850</u>	<u>19,966,020</u>
Current Liabilities				
Trade and other payables	20	2,906,375	1,682,885	1,788,554
Borrowings	21	672,792	5,418,534	4,377,739
Provisions	22	95,623	81,392	39,746
Total Current Liabilities		<u>3,674,790</u>	<u>7,182,811</u>	<u>6,206,039</u>
Non-Current Liabilities				
Provisions	22	326,573	319,111	341,325
Deferred tax liability	23	1,305,662	245,712	95,525
Total Non-Current Liabilities		<u>1,632,235</u>	<u>564,823</u>	<u>436,850</u>
Total Liabilities		<u>5,307,025</u>	<u>7,747,634</u>	<u>6,642,889</u>
Net Assets		<u>26,419,487</u>	<u>15,657,216</u>	<u>13,353,131</u>
Equity				
Contributed equity	24	17,578,448	11,453,559	11,453,559
Reserves	9	2,752,736	2,264,323	1,681,823
Accumulated profits/(losses)	9	6,088,301	1,939,334	217,749
Total Equity		<u>26,419,485</u>	<u>15,657,216</u>	<u>13,353,131</u>

The accompanying notes form part of these financial statements.

Rand Mining NL
Consolidated Statements of Changes in Equity
as at 30 June 2010

	Contributed Equity	Accum Profits/ (Losses)	Reserves	Total Equity
	\$	\$	\$	\$
Consolidated				
Balance at 1 July 2008	11,453,559	(1,485,895)	3,174,749	13,142,413
Loss for the year	-	1,816,928	-	1,816,928
Total other comprehensive income for the year	-	-	(1,492,926)	(1,492,926)
Correction of error	-	(113,284)	-	(113,284)
Adjusted balance at 30 June 2008	11,453,559	217,749	1,681,823	13,353,131
Profit for the year	-	1,589,566	582,500	2,172,066
Correction of error	-	132,019	-	132,019
Adjusted balance at 30 June 2009	11,453,559	1,939,334	2,264,323	15,657,216
Profit for the year	-	4,148,967	-	4,148,967
Total comprehensive income for the year	-	-	488,413	488,413
Shares issued during the year	6,489,727	-	-	6,489,727
Transaction costs	(364,838)	-	-	(364,838)
Non-controlling interest on acquisition of subsidiary	-	-	-	-
Balance at 30 June 2010	17,578,448	6,088,301	2,752,736	26,419,485

Rand Mining NL
Consolidated Statement of Cash Flows
as at 30 June 2010

	Note	Consolidated	
		2010 \$	2009 \$
Cash Flows from Operating Activities			
Receipts from customers		15,083,349	11,741,858
Finance costs		(4,837)	(7,071)
Payments to suppliers and employees		(9,334,549)	(7,665,990)
Tax payments		(1,196,262)	(1,669,509)
Interest received		90,155	128,459
Net Cash provided by (used in) Operating Activities	30	<u>4,637,856</u>	<u>2,527,747</u>
Cash Flows from Investing Activities			
Purchase of investments		(1)	(15,302)
Payment for exploration and development		(2,809,253)	(2,298,961)
Payment for plant and equipment		(773,907)	(567,361)
Net Cash provided by (used in) Investing Activities		<u>(3,583,161)</u>	<u>(2,881,624)</u>
Cash Flows from Financing Activities			
Loans by other entities		(80,642)	-
Loans to related parties		-	(425)
Loans received from related parties		650,000	450,000
Loans repaid to related parties		(743,962)	(450,000)
Proceeds from issues of shares		634,720	-
Share issue costs		(364,838)	-
Net Cash provided by (used in) Financing Activities		<u>95,278</u>	<u>(425)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents		1,149,973	(354,302)
Cash and cash equivalents at the beginning of the financial year		2,357,643	2,711,945
Cash and Cash Equivalents at the End of the Financial Year	10	<u><u>3,507,616</u></u>	<u><u>2,357,643</u></u>

The accompanying notes form part of these financial statements.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

1. Summary of Significant Accounting Policies

a) Basis of preparation

Rand Mining NL (the 'Company') is a company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2010 comprise the Company and its subsidiaries (together referred to as the 'consolidated entity') and the consolidated entity's interest in joint venture operations.

This general purpose financial report for reporting period ended 30 June 2010 has been prepared in accordance with Corporations Act 2001, Australian Accounting Standards, other pronouncements of the Australian Accounting Standards Board and the Australian Accounting Interpretations.

The functional currency of the consolidated entity is Australian dollars.

Compliance with IFRS

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for sale financial assets and financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

b) Principles of consolidation

i. Subsidiaries

A controlled entity is any entity controlled by Rand Mining NL whereby Rand Mining NL has the power to control the financial and operating policies of an entity so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

ii. Associates

Associates are all entities over which the consolidated entity has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of voting rights. Investments in associates are accounted for in the parent entity financial statements using the cost method and in the consolidated financial using the equity method of accounting, after initially being recognised at costs. (refer to note 15 and note 34).

The consolidated entity's share of its associates' post-acquisition profit or losses is recognised in the statement of comprehensive income, and its share of post-acquisition movement in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of its associates.

Unrealised gains on transactions between the consolidated entity and its associates are eliminated to the extent of the consolidated entity's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

iii. Joint ventures

The proportionate interest in the assets, liabilities and expenses of a joint venture activity has been incorporated in the financial statements under the appropriate headings. Details of the joint venture are set out in note 25.

c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Change in accounting policy

The group has adopted AASB 8 *Operating Segments* from 1 July 2009. AASB 8 replaces AASB 114 *Segment Reporting*. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker which, for the consolidated entity is the Board of Directors.

d) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the entities within the consolidated entity is measured using the currency of the primary economic environment in which that entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translations of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the statement of comprehensive income.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

Group companies

The financial results and position of foreign operations whose functional currency is different from the consolidated entity's presentation currency are translated as follows:

- (i) Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- (ii) Income and expenses are translated at average exchange rates for the period.
- (iii) Retained profits are translated at the exchange rates prevailing at the date of the transaction.
- (iv) Exchange differences arising on translation of foreign operations are transferred directly to the consolidated entity's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

e) Revenue recognition

Revenue from the sale of goods is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. All revenue is stated net of the amount of goods and services tax (GST).

f) Income Tax

The consolidated entity adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any non-assessable or disallowed items.

Deferred tax is accounted for using the statement of financial position liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the consolidated entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

h) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changed in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment calculations assumptions include life of mine plans based on prospective reserves and resources, management's estimate of the future gold price, based on current market price trends, and a pre-tax discount rate adjusted for project risk. It is therefore reasonably possible for changes to occur which may affect the recoverability of mining assets.

i) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-borrowings in current liabilities on the statement of financial position.

j) Inventories

Inventories are measured at the lower of cost and net realisable value after appropriate allowances for redundant and slow moving stocks. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing gold prices, less estimated costs to complete production and bring the product to sale.

Cost is determined on the following basis:

- Gold on hand is valued on an average total production cost method.
- Ore stockpiles are valued at the average cost of mining and stockpiling the ore, including haulage.
- A portion of related depreciation and amortisation charge is included in the cost of inventory.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

k) Investments and other financial assets

Classification

The Company classifies its investments in the following categories; loans and receivables, available-for-sale financial assets and other financial assets. The classification depends on the purpose for which the investments were acquired.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position (note 11).

Available-for-sale financial assets

Available-for-sale financial assets comprise principally of marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Refer to note 13.

Other financial assets

Other financial assets comprises of investments in controlled entities. As there is no repayment plan this loan is considered an investment in the subsidiary of the Company. Refer to note 14.

Recognition and de-recognition

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised are included in the statement of comprehensive income as gains and losses from investment securities.

Subsequent measurement

Loan and receivables are carried at amortised cost using the effective interest method.

Available-for-sale financial assets are carried at fair value.

Changes in the value of securities classified as available-for-sale are recognised in equity.

l) Exploration and Evaluation Costs

Exploration on acquisition, exploration and evaluation relating to an area of interest is either written off as incurred or is carried forward at cost where rights to tenure of the area of interest are current and:

- i. It is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;
- ii. Exploration and evaluation activities are continuing in an area of interest but at balance date have not yet reached a stage which permits a reasonable assessment of the existence of or otherwise of economically recoverable reserves

A regular review is undertaken by the Board of Directors of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where uncertainty exists as to the future viability of certain areas, the value of the area of interest is written off to the statement of comprehensive income or provided against

Impairment

The carrying value of capitalised exploration and evaluation is assessed for impairment at the area of interest level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

Impairment exists when the carrying amount of an asset or area of interest exceeds its estimated recoverable amount. The asset or area of interest is written down to its recoverable amount. Any impairment losses are recognised in the statement of comprehensive income.

m) Mine Development Costs

Capitalised mine development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mine development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mine development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Restoration costs expected to be incurred are provided for as part of development phase that give rise to the need for restoration.

n) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation or amortisation and impairment losses.

Property

Freehold land and buildings are held at fair value, less accumulated depreciation for buildings.

Plant and equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all non-mining related fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	15 – 37.5%

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

o) Mining Plant and Equipment and Capital Work in Progress

Mining plant and equipment and capital work in progress is carried at cost which includes acquisition, transportation, installation, and commissioning costs. Costs also include present value of decommissioning costs and finance charges capitalised during the construction period where such expenditure is financed by borrowings. Costs are not depreciated until such time as the asset has been completed ready for use.

If there is indication that the recoverable amount is less than its carrying value, the recoverable amount is estimated and an allowance is made for the impairment in value.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the consolidated entity, and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation of assets is calculated to allocate the cost of each asset to its residual value over its estimated useful life for those assets not amortised on the units of production basis. The consolidated entity has voluntarily changed its accounting policy regarding the depreciation of Mobile Mining Plant and Equipment. As a result all Mobile Plant and Equipment will be depreciated over its useful life rather on a units of production basis.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowing using the effective interest method.

Borrowings are classified as current liabilities unless the consolidated entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

q) Borrowing Costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

r) Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

s) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

t) Earnings per Share

Basic earnings per share

Basic earnings per share is determined by dividing the profit from ordinary activities after income tax by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking the amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

u) Site Rehabilitation

In accordance with the consolidated entity's environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land, is recognised when the land is contaminated.

The provision is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date, based on current legal requirements and technology. Future restoration costs are reviewed annually and any changes are reflected in the present value of the restoration provision at the end of the reporting period.

The amount of the provision for future restoration costs is capitalised and is depreciated in accordance with the policy set out under note 3. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

v) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

w) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

x) Share Based Payment

The consolidated entity may provide benefits to employees (including directors) of the consolidated entity in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

No expense is recognised in respect of options granted before 7 November 2002 and/or vested before 1 January 2005. The shares are recognised when the options are exercised and the proceeds received allocated to share capital.

The fair value of options granted after 7 November 2002 and vested after 1 January 2005 is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employee become unconditionally entitled to the options.

The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a binomial lattice model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market conditions, but excludes the impact of any non-market vesting conditions. Non-market vesting conditions, if any, are included in assumptions about the number of options likely to be exercisable.

Upon exercise of the options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any transaction costs, are credited to issued capital.

y) Business Combination

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the consolidated entity. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the consolidated entity recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the consolidated entity's share of the net identifiable assets acquired is recorded as goodwill. If those amount are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Change in accounting policy

A revised AASB 3 *Business Combinations* became operative on 1 July 2009. While the revised standard continues to apply the acquisition method to business combinations, there have been some significant changes.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

All purchase consideration is now recorded at fair value at the acquisition date. Contingent payments classified as debt are subsequently remeasured through profit or loss.

z) New standards and interpretations not yet adopted.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting periods. The Company's assessments of the impact of these new standards and interpretations is set out below:

AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash Settled Share-based Payment Transactions [AASB 2] (effective from 1 January 2010)

The amendments made by the AASB to AASB 2 confirm that an entity receiving goods or services in a group share-based payment arrangement must recognise an expense for those goods or services regardless of which entity in the consolidated entity settles the transactions or whether the transaction is settled in shares or cash. They also clarify how the group share-based payment arrangement should be measured, that is where it is measured as an equity or a cash-settled transaction. The group will apply these amendments retrospectively for the financial reporting period commencing 1 July 2010. There will be no impact on the group's or the parent entity's financial statements.

AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132] (effective from 1 February 2010)

In October 2009 the AASB issued an amendment to AASB 132 *Financial Instruments: Presentation* which addresses the accounting for rights issues that are dominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment must be applied retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. The group will apply the amended standard from 1 July 2010. As the group has not made any such rights issues, the amendment will not have any effect on the group's or the parent entity'

AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)

AASB 9 Financial Instruments addresses the classification and measurement of financial assets and is likely to affect the group's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The group is yet to assess its full impact. However, initial indications are that it may affect the group's accounting for any available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. The group has not yet decided when to adopt AASB 9.

Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective from 1 January 2011)

In December 2009 the AASB issued a revised AASB 124 Related Party Disclosures. It is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies and simplifies the definition of a related party. The group will apply the amended standard from 1 July 2011. When the amendments are applied, the group and the parent will need to disclose any transactions between its subsidiaries and its associates. However, it has yet to put systems into place to capture the necessary information. It is therefore not possible to disclose the financial impact, if any, of the amendment on the related party disclosures.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

AASB Interpretation 19 Extinguishing financial liabilities with equity instruments and AASB 2009-13

Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010)

AASB Interpretation 19 clarifies the accounting when equity negotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap). It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. The group will apply the interpretation from 1 July 2010. It is not expected to have any impact on the group or the parent entity's financial statements since it is only retrospectively applied from the beginning of the earliest period presented (1 July 2009) and the group has not entered into any debt for equity swaps since that date.

AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement (effective from 1 January 2011)

In December 2009, the AASB made an amendment to Interpretation 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements. The group does not make any such prepayments. The amendment is therefore not expected to have any impact on the group's or the parent entity's financial statements. The group intends to apply the amendment from 1 July 2011.

2. Financial Risk Management

The consolidated entity's activities expose it to a variety of financial risks: market risk (including, interest risk and price risk) and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by the Board under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies regarding specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

a) Market risk

i. Foreign exchange risk

The consolidated entity does not operate internationally and is therefore not exposed to foreign exchange risk.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the consolidated entity's functional currency. The consolidated entity operates internationally and is exposed to foreign exchange risk arising from the United States dollar. No programs for hedging foreign exchange risk were implemented by the consolidated entity in the 2009 or 2008 financial years.

Group sensitivity

The consolidated entity does not have a risk management policy in relation to this exposure.

ii. Price risk

The parent entity is exposed to equity securities price risks and bullion price risk. This arises from investments held by the consolidated entity and classified on the statement of financial position as available-for-sale financial assets and bullion held as inventory.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

The policy of the Company is to sell gold at spot price and has not entered into any hedging contracts. The Company's revenues were exposed to fluctuation in the price of gold. If the average selling price of gold (2010: US\$ 1,094; 2009 US\$ 890) for the financial year had increased/decreased by 10% the change in the profit before income tax for the consolidated group would have been an increase /decrease of A\$ 1,575,124 (2009: A\$ 531,219).

If there was a 10% increase or decrease in market price of gold, the net realisable value of bullion on hand as reported in note 12 would increase/ (decrease) by \$1,094,018 [2009: \$19,205] and the bullion in transit would increase/ (decrease) by \$40,891 [2009:\$ 63,472]. As gold on hand is held at cost there would be no impact on the profit/loss.

The impact of a 10% increase or decrease on capitalised interest and the movement on the bullion loan is summarised as follows:

	Impact on capitalised interest		Impact on movement in bullion loan	
	2010	2009	2010	2009
	\$	\$	\$	\$
Bullion loan from Tribune Resources NL	48,488	34,580	87,920	90,233

The majority of the consolidated entity's investments are publicly traded and are listed on the ASX.

The table below summaries the impact of increases/decreases on equity for the consolidated entity for the year. The analysis is based on the assumption that the equity indexes increase/decreased by 10% [2009: 10%] with all other variables held constant and all the consolidated equity instruments moved according to the historical correlation with the index.

Index	Impact on Equity	
	2010	2009
	\$	\$
ASX	43,832	89,595

The consolidated entity considers the impact on post-tax profit to be immaterial.

The price risk for the unlisted securities is immaterial in terms of the possible impact on profit or loss or total equity. It has therefore not been included in the sensitivity analysis.

iii. Cash flow and fair value interest rate risk

The consolidated entity's main interest rate risk arises from cash equivalents and loans and other receivables with variable interest rates.

b) Credit risk

Credit risk is managed on a consolidated entity basis. Credit risk arises from cash equivalents and loans, derivatives financial instruments and deposits with banks and financial institutions.

The maximum exposure to credit risk at the reporting date is the carrying amount of the receivables as summarised in note 11. For some receivables the consolidated entity obtains agreements which can be called upon if the counterparty is in default under the terms of the agreement.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

c) Liquidity risk

The consolidated entity manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

Financing arrangements

The consolidated entity had no undrawn borrowing facilities at the reporting date.

Maturities of financial liabilities

The table below analyses the entity's financial liabilities. The amounts disclosed are based on estimated bullion production and estimated gold prices.

Group – at 30 June 2010	Less than 6 months \$	6 – 12 months \$	Between 1 and 2 years \$	Over 5 years \$	Total contractual cash flows	Carrying Amount (assets)/liabilities
Interest bearing borrowings	-	706,432	-	-	706,432	672,792

d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement for disclosure purposes.

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the consolidated entity is the closing bid price.

The fair value of financial instruments that are not traded in an active market (for example, investments in unlisted companies or subsidiaries) is based on the carrying value less any impairment considered appropriate by the Board of Directors.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

3. Critical accounting estimates and judgements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

a) Critical accounting estimates and assumptions

The consolidated entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year will be discussed below.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

b) Critical judgements in applying the entity's accounting policies

The preparation of a financial report in conformity with AIFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Carrying value of Mining Plant & Equipment, Mining Infrastructure and Mine Development

All mining assets (excluding mobile mining plant and equipment) are amortised using the unit of production (UOP) method where the mine operating plan calls for production from well defined Mineral Reserves.

The calculation of UOP rate of amortisation could be impacted to the extent that actual production in the future is different from the current forecast production based on proved and probable mineral reserves. This would generally result to the extent that there are significant changes in any of the factors or assumptions used in estimating mineral reserves. These factors could include:

- Changes in proved and probable reserves;
- The grade of mineral reserves may vary significantly from time to time;
- Differences between actual commodity prices and commodity prices assumption;
- Unforeseen operational issues at mine site;
- Changes in capital, operating, mining, processing and reclamation costs, discount rates; and
- Changes in mineral reserves could similarly impact the useful lives of the assets depreciated straight line basis, where those lives are limited to the life of the mine.

The recoverable amounts of cash generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values. The calculations require the use of estimates and assumptions. It is reasonably possible that the gold price assumption may change which may then impact our estimated life of mine determination and may then require a material adjustment to the carrying value of tangible assets.

The consolidated entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared for future cash flows for each class of asset. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including reserves and production estimates, together with economic factors such as spot gold prices, discount rates, estimates of costs to produce reserves and future capital expenditure.

The carrying amount of tangible assets at 30 June 2010 was \$2,900,783 [2009:\$ 2,659,710].

Provision for site rehabilitation

The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision. Such changes in Mineral Reserves could similarly impact useful lives of assets depreciated on a straight line basis, where those lives are limited to the life of mine.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

The carrying amount of the rehabilitation obligation at 30 June 2010 was \$326,573 [2009: \$319,111].

Stockpiles, gold in process and gold bullion

Costs incurred in or benefits of the productive process are accumulated as stockpiles, gold in process, ore on leach pads and product inventory. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing gold prices, less estimated costs to complete production and bring the product to sale.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage based on the expected processing method.

The metallurgical balancing process is constantly monitored and the recovery estimates are refined based on reconciliations with actual results over time.

Gold in process is calculated in accordance with our Toll Processing Agreements which incorporate the standard metallurgical practices.

The carrying amount of inventories at 30 June 2010 was \$7,512,849 [2009: \$3,404,273].

4. Segment information

The consolidated entity has adopted AASB 8 *Operating Segments* from 1 July 2009 whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the Board of Directors.

a) Description of segments

Management has determined the operating segments based on reports reviewed by the Board of Directors for making strategic decisions. The Board of Directors has identified 2 reportable segments.

Rand Mining NL

This segment includes Rand Mining NL, it's wholly owned subsidiary Rand Exploration NL, which includes investments in associates and the East Kundana Joint Venture operations and gold exploration.

Onslow Resources Ltd

This segment is involved in mineral exploration other than gold.

b) Segment information provided to the Board of Directors:

	Rand Mining NL	Onslow Resources Ltd	Total
2010			
Total segment revenue	15,083,349	-	15,083,349
Intersegment revenue	-	-	-
Revenue from external customers	15,083,349	-	15,083,349
Adjusted EBITDA	9,856,829	(543,853)	9,312,976
Depreciation and amortisation	(3,277,224)	(2,150)	(3,279,374)
Income tax expense	(1,433,433)	-	(1,433,433)
Share of profit from associates	1,227,269	-	1,227,269

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

	42,620,551	129,217	42,749,768
Total segment assets			
Total assets includes:			
Investments in associates and joint venture partnership	9,760,909	-	9,760,909
Additions to non-current assets	2,415,990	16,402	2,432,392
Total segment liabilities	16,921,434	759,079	17,680,513
	Rand Mining NL	Onslow Resources Ltd	Total
2009			
	11,741,859	-	11,741,859
Total segment revenue			
Intersegment revenue	-	-	-
Revenue from external customers	11,741,859	-	11,741,859
Adjusted EBITDA	5,675,325	-	5,675,325
Depreciation and amortisation	(1,819,545)	-	(1,819,545)
Income tax expense	(1,153,778)	-	(1,153,778)
Share of profit from associates	1,483,462	-	1,483,462
Total segment assets	30,605,962	-	30,605,962
Total assets includes:			
Investments in associates and joint venture partnership	9,481,089	-	9,481,089
Additions to non-current assets	538,161	-	538,161
Total segment liabilities	15,437,872	-	15,437,872

c) Other segment information

Segment revenues reconciles to total revenue from continuing operations as follows:

	Consolidated	
	2010	2009
	\$	\$
Total segment revenue	15,083,349	11,741,858
Intersegment eliminations	-	-
Interest revenue	90,155	128,459
Other revenue	-	-
Total revenue from continuing operations [note 5]	15,173,504	11,870,317

The entity is domiciled in Australia. The amount of its revenue from external customers in Australia is \$15,083,348 [2009: \$11,741,858], and the total revenue from external customers in other countries is nil [2009: \$nil]. Segment revenues are allocated based on the country in which the customer is located.

Revenues of approximately 15,083,348 [2009: 11,741,858] are derived from a single external customer. These revenues are attributable to the Australian mining and exploration operations.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

i. Adjusted EBITDA

The Board of Directors assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non recurring event. Furthermore, the measure excludes the effect of equity- settled share-based payments and unrealised gains/(losses) on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the consolidated entity.

A reconciliation of adjusted EBITDA to operating profit before income tax is provided as follows:

	Consolidated	
	2010	2009
	\$	\$
Adjusted EBITDA	9,312,976	5,675,325
Intersegment eliminations	1,882,555	-
Interest revenue	90,158	128,459
Finance costs	(471,289)	(1,047,871)
Depreciation	(907,828)	(531,630)
Amortisation	(2,371,546)	(1,330,537)
Legal expenses	(65,064)	(14,266)
Impairment of other assets	(1,887,562)	(4,117)
Other	-	-
Profit before income tax from continuing operations	5,582,400	2,875,363

ii. Segment assets

The amounts provided to the Board of Directors with respect to total assets are measured in a manner consistent with that of the financial statements; these assets are allocated based on the operations of the segment and the physical location of the asset.

Investment in shares (classified as available-for-sale financial assets, held-to-maturity investments or financial assets at fair value through profit or loss) held by the group are not considered to be segment assets but rather measured by the treasury function.

Reportable segments' assets are reconciled to total assets as follows:

	Consolidated	
	2010	2009
	\$	\$
Segment assets	42,749,768	30,605,962
Intersegment eliminations	(12,334,754)	(8,474,111)
Unallocated:		
Deferred tax assets	259,881	133,173
Available-for-sale financial assets	438,322	526,531
Held-to-maturity investments	-	-
Current tax receivable	613,295	613,295
Financial assets at fair value through profit or loss	-	-
Total assets as per the statement of financial position	31,726,512	23,404,850

The total of non-current assets other than financial instruments and deferred tax assets located in Australia is 17,573,650 [2009: 17,330,466], and the total of these non-current assets located in other countries is \$nil [2009: nil]. Segment assets are allocated to countries based on where the assets are located.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

iii. Segment liabilities

The amounts provided to the strategic steering committee with respect to total liabilities are measure in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

The group's borrowings and derivative financial instruments are not considered to be segment liabilities but rather managed by the treasury function.

Reportable segments' liabilities are reconciled to total liabilities as follows:

	Consolidated	
	2010	2009
	\$	\$
Segment liabilities	(17,680,513)	(15,437,872)
Intersegment eliminations	13,679,150	7,935,950
Unallocated:		
Deferred tax liabilities	(1,305,662)	(245,712)
Current tax liabilities	-	-
Total liabilities per the statement of financial position	(5,307,025)	(7,747,634)

	Consolidated	
	2010	2009
	\$	\$
5. Revenue from operations		
Sales revenue		
- Sale of gold & silver	<u>15,083,346</u>	<u>11,741,858</u>
Other revenue		
- Interest received	<u>90,158</u>	<u>128,459</u>
Total Operating Revenue	<u><u>15,173,504</u></u>	<u><u>11,870,317</u></u>

	Consolidated	
	2010	2009
	\$	\$
6. Other Income		
Net gain/(loss) on sale of available for sale financial assets	-	(3,950)
Net gain/(loss) on sale of assets	(5,006)	(5,989)
Other income	-	5,822
Total Other Income	<u><u>(5,006)</u></u>	<u><u>(4,117)</u></u>

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

	Consolidated	
	2010	2009
	\$	\$

7. Expenses

The profit/(loss) before income tax includes the following specific expenses:

Depreciation and amortisation

Amortisation - mine development costs	2,371,546	1,330,537
Depreciation - mining plant & equipment	896,834	513,630
Depreciation - other plant and equipment	10,994	18,328
	3,279,374	1,862,495

Finance costs

Interest and finance charges paid or payable	247,943	377,040
–Loss on change in value of gold loan	223,346	670,831
	471,289	1,047,871

8. Income Tax Expense

	Consolidated	
	2010	2009
	\$	\$
A. Income tax expense/(benefit)		
Current tax	509,478	1,021,378
Deferred tax	288,053	132,400
Under/(Over) provision in prior years	78,105	-
	875,636	1,153,778
(Increase)/Decrease in deferred tax assets	(39,147)	(2,787)
Increase/(Decrease) in deferred tax liabilities	327,200	135,187
	288,053	132,400

The tax expense for the year ended 30 June 2010 includes \$483,292 related to the consolidated entity's equity investment.

	Consolidated	
	2010	2009
	\$	\$
B. Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax	5,582,400	2,875,363
Prima facie income tax at 30% (2009 – 30%)	1,674,720	862,609
Tax effect of amounts not deductible in calculating taxable income:		
Deferred tax liabilities previously not recognised, now brought to account	(722,846)	291,169
Under/(Over) provision in prior year	403,454	-
	78,105	-
	1,433,433	1,153,778

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

C. Amounts recognised directly in equity	(26,439)	15,000
---	----------	--------

The franking account balance at year end was \$nil [2009: nil]

9. Reserves and Retained Profits

Reserves	Consolidated		
	2010	2009	2008
	\$	\$	\$
Available for sale financial assets reserve	754,093	619,241	71,741
Asset revaluation reserve	579,843	226,282	191,282
Share based payments reserve	1,418,800	1,418,800	1,418,800
	<u>2,752,736</u>	<u>2,264,323</u>	<u>1,681,823</u>

Retained profits/(losses)

Accumulated profit/(losses) at the beginning of the financial year	1,939,334	331,033	(1,485,895)
Adjustment for the error in prior period	-	(113,284)	-
Adjusted balance at beginning of the financial year	<u>1,939,334</u>	<u>217,749</u>	<u>-</u>
Net profit/(loss) for the year	4,148,967	1,721,585	1,703,644
Accumulated profit/(loss) at the end of the financial year	<u>6,088,301</u>	<u>1,939,334</u>	<u>217,749</u>

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Movements:			
Available for Sale Financial Assets			
Balance 1 July	619,241	71,741	3,001,083
Revaluation (net of tax)	(88,209)	(234,578)	270,005
Impairment to profit and loss	160,847	719,210	
Reversal of revaluations relating to investment in associate – Tribune Resources NL	-	-	(3,047,480)
Share of revaluation movement for investment in associate	62,214	62,868	(151,867)
Balance 30 June	<u>754,093</u>	<u>619,241</u>	<u>71,741</u>

Asset Revaluation Reserve

Balance 1 July	226,282	191,281	172,266
Revaluation - gross	380,000	50,001	-
Adjustment to Deferred tax liability	(26,439)	(15,000)	19,015
Balance 30 June	<u>579,843</u>	<u>226,282</u>	<u>191,281</u>

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

Share Based Payments Reserve

Balance 1 July	1,418,800	1,418,800	1,400
Fair value of options issued	-	-	1,417,400
Balance 30 June	<u>1,418,800</u>	<u>1,418,800</u>	<u>1,418,800</u>

Nature and Purpose of Reserves

Available for sale financial assets reserve

Changes in the fair value and exchange differences arising on the translation of investments, such as equities, classified as available-for-sale financial assets, are taken to the available-for-sale investments revaluation reserve. Amounts are recognised in profit and loss when the associated assets are sold and impaired.

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of property, plant and equipment to fair value.

Share based payments reserve

The share based payments reserve is used to recognise:

- The grant date fair value of options issued to employees but not exercised
- The grant date fair value of shares issued to employees

10. Cash and Cash Equivalents

	2010	2009	2008
	\$	\$	\$
Current cash at bank	3,364,948	2,224,976	2,588,220
Deposits at call	142,668	132,667	123,725
	<u>3,507,616</u>	<u>2,357,643</u>	<u>2,711,945</u>

Reconciliation to cash at the end of the year

The above figures were reconciled to cash at the end of the financial year as shown in the Cash Flow Statement as follows:

Balances per Statement of cash flows	<u>3,507,616</u>	<u>2,357,643</u>
--------------------------------------	------------------	------------------

Cash at bank

Interest rate risk exposure

The consolidated entity's exposure to interest rate risk is discussed in note 2.

Cash at bank bears fixed interest ranging between 1.50% and 2.50% [2009: 1.05% and 3.01].

11. Trade and Other Receivables

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Current			
Trade and other receivables	265,645	185,432	124,225
Provision for impairment of receivables	(80,143)	(30,000)	(30,000)
Income tax receivable	624,514	23,863	-
	<u>810,016</u>	<u>179,295</u>	<u>94,225</u>

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

a) Impaired trade receivables

As at 30 June 2010 current trade receivables of the consolidated entity with a nominal value of \$111,067 [2009: \$30,000] were impaired. The amount of the provision was \$111,067 [2009: \$30,000]. The impairment relates to loans which are unlikely to be repaid.

The aging of these receivables are as follows:

	Consolidated	
	2010	2009
	\$	\$
1 to 3 months	-	-
3 to 6 months	81,067	-
Over 6 months	30,000	30,000

Movements in the provision for impairment of receivables are as follows:

	Consolidated	
	2010	2009
	\$	\$
At 1 July	30,000	30,000
Provision for impairment recognised during the year	81,067	-
	<u>111,067</u>	<u>30,000</u>

12. Inventories

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Current Assets			
Ore stockpiles – at cost	2,629,019	2,909,896	218,529
Gold on hand-at cost	4,708,541	114,837	927,634
Gold in transit – at cost	175,289	379,540	275,205
	<u>7,512,849</u>	<u>3,404,273</u>	<u>1,421,368</u>

Gold on hand at 30 June 2010 has a net realisable value of \$11,003,509 [2009: \$191,387] measured at spot rate of \$1,452.15 [2009: \$1,161.55]. Gold in transit had a net realisable value of \$408,909 [2009: \$636,536] measured at spot rate of \$1,452.15.

13. Available for Sale of Financial Assets

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Non-Current			
At beginning of the year	526,532	895,949	10,712,176
Additions	-	15,302	1,414,950
Disposals	-	(1,850)	(1,100)
Transfer to investment accounted for using equity method (note 15)	-	-	(10,379,444)
Impairment of available for sale financial asset to profit and loss	(160,847)	(298,342)	-
Revaluation increment/(decrement) to reserve	72,637	(84,527)	(850,633)
Balance as at 30 June	<u>438,322</u>	<u>526,532</u>	<u>895,949</u>

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

	Consolidated		
	2010	2009	2008
	\$	\$	\$
<i>Listed Securities</i>			
Equity Securities	438,322	526,532	895,949
<i>Unlisted Securities</i>			
Equity Securities	-	-	-
	438,322	526,532	895,949

Impairment and risk exposure

All available-for-sale financial assets are denominated in Australian currency. For an analysis of the sensitivity of available-for-sale financial assets to price and interest risk rate refer to note 2.

14. Other Financial Assets

These financial assets are carried at cost. As there is no current repayment plans this loan is considered to be an investment in the subsidiary of the Company.

Investments in controlled entities

Name	Country Of Incorporation	% Ordinary Shares Owned		Carrying Value Of Investment		Contribution To Consolidated Operating Profit/(Loss) After Income Tax	
		2010	2009	2010	2009	2010	2009
				\$	\$	\$	\$
Rand Exploration N.L.	Australia	100	100	538,161	538,161		(441,315)
Pan African Mining Ltd	Angola	100	100	-	-	-	-
Onslow Resources Ltd	Australia	100	-	1	-	(440,874)	-

15. Investments accounted for using the equity method

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Shares in associate – Rand Mining NL (note 34)	11,285,248	8,942,928	7,918,698
	11,285,248	8,942,928	7,918,698

Shares in associates

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and carried at the lesser of cost or fair value. [Refer to note 34].

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

16. Exploration and Evaluation Costs

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Balance at 1 July	-	-	-
Costs incurred during the year	644,061	71,843	67,502
Costs written off	(641,134)	(71,843)	67,502
Balance at 30 June	<u>2,927</u>	<u>-</u>	<u>-</u>

The recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

17. Mine Development Costs

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Balance at 1 July	8,256,025	9,185,917	7,444,336
Costs incurred during the year	2,251,488	2,228,119	1,741,581
Costs written off during the year	-	(3,092,325)	-
Costs impaired during the year	(72,368)	(65,686)	-
Balance as 30 June	<u>10,435,145</u>	<u>8,256,025</u>	<u>9,185,917</u>
Accumulated amortisation			
Balance as 1 July	(3,054,729)	(4,964,619)	(4,543,471)
Charge for the year	(2,371,546)	(1,182,435)	(421,148)
Amounts written off during the year	-	3,092,325	-
Balance at 30 June	<u>(5,426,275)</u>	<u>(3,054,729)</u>	<u>(4,964,619)</u>
Net Book Value	<u>5,008,870</u>	<u>5,201,296</u>	<u>4,221,298</u>

18. Property, Plant and Equipment

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Non Current			
Freehold land and buildings			
At valuation	<u>890,000</u>	<u>510,000</u>	<u>460,000</u>
Plant and equipment			
At cost	4,803,796	4,004,182	3,607,255
Accumulated amortisation/depreciation	(2,937,263)	(2,029,435)	(1,497,477)
	<u>1,866,533</u>	<u>1,974,747</u>	<u>2,109,778</u>
Construction work in progress – at cost	144,250	174,963	32,373
Total net book amount	<u>2,900,783</u>	<u>2,659,710</u>	<u>2,602,151</u>
Total Cost	5,649,239	4,689,145	4,099,628
Total Accumulated Depreciation	(2,748,456)	(2,029,435)	(1,497,477)
Net book amount	<u>2,900,783</u>	<u>2,659,710</u>	<u>2,602,151</u>

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

A. Movement in Property, Plant & Equipment:

	Consolidated				Total
	Year Ended 30 June 2010				
	Land and Buildings	Other Plant and Equipment	Mining Plant and Equipment	Construction Work in Progress	
Opening net book amount	510,000	23,415	1,951,332	174,963	2,659,710
Additions	-	15,625	789,420	778,433	1,583,478
Disposals	-	(5,431)	-	-	(5,431)
Revaluation	380,000	-	-	-	380,000
Transfers	-	-	-	(809,146)	(809,146)
Depreciation and amortisation expense	-	(14,842)	(892,986)	-	(907,828)
Closing net book amount	<u>890,000</u>	<u>18,767</u>	<u>1,847,766</u>	<u>144,250</u>	<u>2,900,783</u>

	Consolidated				Total
	Year Ended 30 June 2009				
	Land and Buildings	Other Plant and Equipment	Mining Plant and Equipment	Construction Work in Progress	
Opening net book amount	460,000	39,112	2,070,666	32,373	2,602,151
Additions	-	2,630	-	565,089	567,719
Disposals	-	-	(5,988)	-	(5,988)
Revaluation	50,000	-	-	-	50,000
Transfers	-	-	400,285	(422,499)	(22,214)
Depreciation and amortisation expense	-	(18,327)	(513,631)	-	(531,958)
Closing net book amount	<u>510,000</u>	<u>23,415</u>	<u>1,951,332</u>	<u>174,963</u>	<u>2,659,710</u>

Land and Building Valuation

The valuation basis of Land and Building is fair value being the amount for which the assets could be exchanged between parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The 2010 revaluation was based on an Independent assessment by a member of the Australian Property Institute as at 24 June 2010.

Non-current assets pledged as security

There are no non-current assets pledged as security by the parent entity and its controlled entities.

19. Deferred Tax Assets

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Non-Current			
The balance comprises temporary differences attributable to:			
<i>Amounts recognised in profit or loss</i>			
Provisions	151,920	120,151	118,463
Tax losses	-	-	11,923
Capital raising costs	87,561	-	-
Other	20,400	13,022	-
Total	<u>259,881</u>	<u>133,173</u>	<u>130,386</u>
Movements:			
Opening balance at 1 July:	133,173	130,386	564,703
Charged to statement of comprehensive income	39,147	2,787	(434,317)
Charged to equity	87,561	-	-
Closing balance at 30 June	<u>259,881</u>	<u>133,173</u>	<u>130,386</u>

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

Deferred tax assets and liabilities shall be set off if, and only if: (a) there is a legally recognised right to set off current tax assets and liabilities, and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

20. Trade and Other Payables

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Current			
Trade Payables	2,906,375	1,682,885	993,618
Current income tax payable	-	-	794,936
	<u>2,906,375</u>	<u>1,682,885</u>	<u>1,788,554</u>

Risk exposure

Information about the consolidated entity's exposure to foreign exchange risk is provided in note 2.

21. Borrowings

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Current			
Gold loan from Tribune Resources NL	-	5,418,534	4,377,739
Cash loan from Tribune Resources NL	672,792	-	-
Total Current Borrowings	<u>672,792</u>	<u>5,418,534</u>	<u>4,377,739</u>

Further information relating to loans from related parties is set out in note 27.

A. Total unsecured liabilities

Total unsecured liabilities (current) are as follows:

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Gold loan from Tribune Resources NL	-	5,418,534	4,377,739

	Consolidated		
	2010	2009	2008
	\$	\$	\$
<i>Gold loan-principle</i>			
Gold loan from Tribune Resources NL	2,834,600	2,834,600	2,834,600
Value of imbedded derivative recognised in profit	3,784,369	2,583,934	1,543,139
Repayments	(6,618,969)		
Balance at the end of the year	<u>-</u>	<u>5,418,534</u>	<u>4,377,739</u>

Tribune Resources NL loaned the consolidated entity 4,000 ounces of gold bullion in 2006. Interest was payable in gold bullion and calculated on the principle at the interest rate of 8% per annum. The interest is calculated on the daily balance of the principle sum on the basis of a 365 day year and compounding on the last day of each month. On 27 January 2010, Rand Mining NL repaid the bullion loan in full by way of 18,359,400 shares (at a value of \$5,875,008) and \$743,961 in cash.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

B. Financial arrangements

The consolidated entity had nil ounces available to draw down from the gold loan from Tribune Resources NL at 30 June 2009. The Company repaid 5,411 [2009: 50] ounces during the year.

C. Interest rate risk exposures

Information about the consolidated entity's exposure to interest rate and foreign currency changes is provided in note 2.

D. Fair value

The carrying amounts and fair values of borrowings at balance date are:

	2010		2009	
	Carrying Amount \$	Fair value \$	Carrying Amount \$	Fair Value \$
On Statement of financial position				
Bullion loan	-	-	5,418,534	6,037,505
Cash loan	672,792	672,792	-	-

Fair value is inclusive of costs which would be incurred on settlement of a liability. The fair value of borrowing is based upon market price where a market exists or by discounting the expected future cash flows by the current interest rates for liabilities with similar risk profiles.

22. Provisions

	Consolidated		
	2010 \$	2009 \$	2008 \$
Current			
Employee entitlements	95,623	81,392	39,746
Non-Current			
Rehabilitation	326,573	319,111	341,325

A. Movements in Provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Rehabilitation		
	2010 \$	2009 \$	2008 \$
Consolidated			
Carrying amount at start of year	319,111	341,325	338,755
Additional provisions recognised	-	-	2,570
Impact of revisions to expected cashflows, net of accretion	7,462	(22,214)	-
Carrying amount at the end of the year	326,573	319,111	341,325

Details regarding restoration of operating location are contained in the significant accounting policies note 1.2 (u)

A provision of \$326,573 exists at 30 June 2010 in respect of consolidated entity's obligation to rehabilitate the Raleigh Underground mine site upon cessation of production in accordance with the state environmental regulatory requirements. The consolidated entity has been assured that the site would be restored using technology and materials that are available currently. The provision for site restoration has been calculated using a discount rate of 0% as adjustments to present value are not material.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

23. Deferred tax liability

	Consolidated		
	2010	2009	2008
	\$	\$	\$
Non-Current			
Change in accounting policy	(10,205)	230,712	(44,438)
Investment in associate	1,185,989	-	-
Capital allowances in excess of depreciation	-	-	139,963
Asset revaluation reserve	129,000	15,000	-
Other	878	-	-
	1,305,662	245,712	95,525
Movements:			
Opening balance at 1 July:	245,712	95,525	1,220,572
Charged to statement of comprehensive income	945,950	135,187	(139,431)
Charged to equity	114,000	15,000	(985,616)
	1,305,662	245,712	95,525

Deferred tax assets and liabilities shall be set off if, and only if: (a) there is a legally recognised right to set off current tax assets and liabilities, and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

24. Contributed Equity

	Rand Mining NL		Rand Mining NL	
	2010	2009	2010	2009
	Shares	Shares	\$	\$
a) Share Capital				
Ordinary shares	60,841,209	40,650,813	17,578,448	11,453,559

Movements in ordinary share capital of the company are as follows:

Date	Details	No. of Shares	Issue Price	\$
1 July 2009	Balance	40,560,813	-	11,453,559
27 January 2010	Rights issue	20,280,396	0.32	6,489,727
27 January 2010	Less: Transaction costs arising on share issue			(364,838)
30 June 2010	Balance	60,841,209		17,578,448

b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

c) Options

Information relating to options including options issued, exercised and lapsed during the financial year and

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

options outstanding at the end of the financial year, is set out in the Directors' Report.

d) Capital risk management

Management effectively managed the consolidated entity's capital by assessing the consolidated entity's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management debt levels, distributions to shareholders and share issues.

25. Interest in Joint Ventures

Jointly Controlled Assets

The controlled entity, Rand Exploration NL has 12.25% interest in the East Kundana Joint Venture, whose principle activity is exploration and mining of gold.

The consolidated entity shares of assets employed in the joint venture are included in the consolidated statement of financial position, in accordance with the accounting policy described in note 1, under the following classification:

EKJV – Rand's 12.25% share	Consolidated	
	2010	2009
	\$	\$
Current Assets		
Cash and Cash Equivalents	2,802,352	1,933,459
Trade and Other Receivables	64,541	140,494
Inventories	545,085	562,319
Total Current Assets	3,411,978	2,636,272
Non-Current Assets		
Mine Development	10,573,198	8,321,711
Construction Work in Progress	144,250	174,963
Plant and Equipment – at cost	4,308,778	3,519,358
Total Non-Current assets	15,026,226	12,016,032
Share of Assets employed in Joint Venture	18,438,204	14,652,304
Current Liabilities		
Creditors /Accruals	1,883,112	1,222,480
Total Current Liabilities	1,883,112	1,222,480
Non Current Liabilities		
Provisions	126,573	119,112
Total Non Current Liabilities	126,573	119,112
Net Interest in Joint Venture	16,428,519	13,310,712

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

26. Auditor's Remuneration

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2010 \$	2009 \$
Grant Thornton Audit Pty Ltd – Auditors of the consolidated entity		
Audit and review of the financial statements	55,000	53,000
BDO WA (Audit) Pty Ltd – Auditors of Onslow Resources Ltd		
Audit and review of financial statements	10,000	-
Taxation services	94,277	-
	<u>159,277</u>	<u>53,000</u>

27. Key Management Personnel Disclosures

A. Directors

Directors of Rand Mining NL during the financial year were:

(i) Executive Directors

A Billis
O Demis

(ii) Non- Executive Directors

G Sklenka

	2010 \$	2009 \$
Key management personnel compensation		
Directors		
Short-term employee benefits – cash salary, fees and bonus	123,501	143,932
Post-employment benefits – superannuation	26,800	64,283
Non-monetary benefits	43,773	57,653
	<u>194,074</u>	<u>265,868</u>
Other key management personnel		
Short-term employee benefits – cash salary, fees and bonus	108,411	51,571
Post-employment benefits – superannuation	8,439	57,076
Non-monetary benefits	25,000	871
	<u>141,850</u>	<u>109,518</u>

B. Other Key Management Personnel

The following persons also had authority and responsibilities for planning and directing and controlling the activities of the consolidated entity, directly or indirectly, during the financial year:

Name	Position	Employer
J Andrews	General Manager - Kalgoorlie Operations	Rand Mining NL
R Berzins	Joint Company Secretary	Rand Mining NL

In accordance with AASB 124 remuneration disclosures related to Key Management Personnel are included in the Remuneration Report in the Directors' Report.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

C. Equity instruments disclosures relating to Key Management Personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in the remuneration report on page 15.

(ii) Option holdings

The number of options over ordinary shares in the Company held during the financial year by each director of Rand Mining NL and other key management personnel of the consolidated entity, including their personally related parties, are set out below:

2010	Balance at the start of the year	Granted during the year	Exercised during the year	Other changes during the year	Balance at the end of year
Directors					
O Demis	1,000,000	-	-	-	1,000,000
A Billis	3,000,000	-	-	-	3,000,000
G Sklenka	1,000,000	-	-	-	1,000,000
2009					
	Balance at the start of the year	Granted during the year	Exercised during the year	Other changes during the year	Balance at the end of year
Directors					
O Demis	1,000,000	-	-	-	1,000,000
A Billis	2,000,000	-	-	-	2,000,000
G Sklenka	1,000,000	-	-	-	1,000,000
Other Key Management Personnel					
I Robertson	500,000	-	-	-	500,000

(iii) Share holdings

The number of shares in the Company held during the financial year by each director of Rand Mining NL and other key management personnel of the consolidated entity, including their personally related parties, are set out below:

2010	Balance at the start of the year	Purchased during the year	Sold during the year	Other changes during the year	Balance at the end of year
Directors					
O Demis	8,352,589	18,277,012	-	-	26,629,601
A Billis	23,023,448	18,259,400	-	-	41,282,848
G Sklenka	8,317,364	18,259,400	-	-	26,576,764
R Berzins	-	-	-	-	-
J Andrews	-	-	-	-	-

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

2009	Balance at the start of the year	Purchased during the year	Sold during the year	Other changes during the year	Balance at the end of year
Directors					
O Demis	8,352,589	-	-	-	8,352,589
A Billis	15,123,864	-	-	7,899,584	23,023,448
G Sklenka	8,317,364	-	-	-	8,317,364

G. Other Transactions with Key Management Personnel

During the 2006 year, the consolidated entity was loaned 4,000 oz in gold bullion by related party, Tribune Resources NL. On 27 January 2010 Rand Mining NL repaid the bullion loan in full by the issue of 18,359,400 shares (at a value of \$5,875,008) and \$743,961 in cash. Also at 30 June 2010 the consolidated entity held 11,923,904 [2009: 11,923,904] Tribune Resources NL shares. Messers Billis, Demis and Sklenka were all directors of Rand Mining NL during the year. Messer Berzins was joint company secretary of Rand Mining NL Tribune Resources NL during the year. See note 21 for more details.

During the year ended 30 June 2010, the consolidated entity received a \$650,000 cash loan from related party Tribune Resources NL. Interest is payable at 10% p.a and there is no fixed repayment date. At 30 June 2010, the balance of this loan was \$672,792.

At 30 June 2010, the consolidated entity held 2,819,998 [2009: 2,819,998] ordinary shares in Regal Resources Ltd and nil [2008: 649,998] Regal Resources Ltd options. Messrs Sklenka was a director of Regal Resources Ltd between September 2003 and June 2009.

At 30 June 2010, the consolidated entity held 3,360,857 [2009: 3,360,857] ordinary shares and 3,212,428 [2009: 3,212,428] options in AXG Mining Ltd. Mr Sklenka was a director of AXG Mining Ltd during the year.

As at 30 June 2010 the consolidated entity held 1,000,000 shares in Palace Resources Ltd, a company previously related to Messrs Sklenka, which were acquired in the year ended 30 June 2004 for \$100,000.

As at 30 June 2010 the consolidated entity held 10,000 [2009: 10,000] shares in Vector Resources Limited. Mr Sklenka is a director of Vector Resources Limited.

During the year ended 30 June 2010, the joint venture paid \$347,037 [2008: \$233,541] in royalties to Lake Grace Exploration NL, of which \$46,512 [2009: \$28,609] related to Rand Mining NL. Lake Grace Exploration NL is a company related to Mr Billis.

During the year ended 30 June 2010, the consolidated entity paid \$6,750 [2009: nil] in executive accommodation fees, \$32,808 [2009: nil] in administration fees and \$41,000 [2009: nil] in consulting fees to Lake Grace Exploration NL. Lake Grace Exploration NL is a company related to Mr Billis.

28. Related Party Transactions

Subsidiaries

Investments in subsidiaries are set out in note 14.

Key management Personnel

Disclosures relating to key management personnel are set out in note 27.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

29. Earnings Per Share

	Consolidated	
	2010	2009
	\$	\$
Basic earnings per share (cents)	8.44	4.24
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	49,140,981	40,560,813
Earnings/(loss) used in calculating basic earnings/(loss) per share	4,148,967	1,721,589

The options on issue are not considered to be dilutive therefore the Basic earnings per share are considered to be the Diluted earnings per share.

Weighted Average Number of Shares used as a Denominator

	Consolidated	
	2010	2009
	\$	\$
Weighted Average Number of ordinary shares used as Denominator in Calculating basic Earnings per share	49,140,981	40,560,813

30. Reconciliation of Profit/(Loss) after Income Tax to Net Cash Inflow from Operating Activities

	Consolidated	
	2010	2009
	\$	\$
Profit (Loss) for the year after tax	4,148,967	1,721,585
Unrealised Loss – Tribune Resources NL gold loan*	223,347	670,831
Interest – Tribune Resources NL gold loan*	220,313	369,963
Depreciation and Amortisation	3,279,374	1,862,495
Income from equity accounted investment	(3,277,570)	(1,483,462)
Exploration cost write off	641,133	71,842
(Profit) /Loss on sale of available for sale financial assets	5,006	3,950
(Profit)/Loss on sale of property, plant & equipment	72,368	5,989
Impairment of mine development costs	160,847	65,686
Impairment of available for sale financial assets	81,067	1,017,554
Impairment of equity accounted investment	1,754,240	522,100
Tax payments	(600,650)	(818,799)
Equity reserve	-	-
Movement in tax balances	933,242	(192,198)
Changes in assets and liabilities:		
Receivables	(107,471)	(61,207)
Trade creditors and accruals	1,223,491	751,284
Inventories	(4,127,311)	(1,990,054)
Provisions	7,463	10,188
Net Cash inflows/(outflows) from activities	4,637,856	2,527,747

A term deposit of \$142,667 [2009: \$132,667] is included in cash at bank.

***Non Cash Investing and Finance Activities**

- In January 2010, the consolidated entity repaid the bullion loan from Rand Mining NL by way of 18,359,400 shares (valued at \$5,875,008) and \$743,961 in cash.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

31. Commitments

Mineral Tenement Leases

In order to maintain current rights of tenure to mining tenements, the consolidated entity will be required to outlay the following funds in respect of tenement lease rentals and to meet minimum expenditure requirements of the Western Australian Mines Department. These obligations are expected to be fulfilled in the normal course of operations.

	Consolidated	
	2010	2009
	\$	\$
Lease expenditure commitments:		
- not later than one year	190,162	181,538
- later than one year and not later than two years	190,162	181,538
- later than two years and not later than five years	472,952	544,614
- later than five years	-	-

Capital Commitments - EKJV

	Consolidated	
	2010	2009
	\$	\$
Mining Property, Plant and Equipment payable;		
- Within one year	422,119	874,625
- Later than one year but no later than 5 years	403,072	1,029,591
- Later than 5 years	-	-
	<u>825,191</u>	<u>1,904,216</u>

The above commitments relate to capital expenditure commitments relating to the East Kundana joint venture Raleigh underground mine.

33. Business Combination

a) Summary of acquisition

On 2 December 2009, the Company acquired 100% of the issued capital of Onslow Resources Ltd, for the purchase consideration of \$1.00.

The acquisition is part of the Company's overall strategy to expand its mineral exploration operations.

The purchase was satisfied by the payment of \$1.00 to the original shareholder. The price was based on negotiated arrangements on the date of purchase.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Acquiree's carrying amount	Fair value	Recognised at acquisition date
	\$	\$	\$
Trade and other receivables (i)	4,389	4,389	4,389
Exploration	46,156	46,156	46,156
Total current assets	<u>50,545</u>	<u>50,545</u>	<u>50,545</u>
Provisions and contingent liabilities	62,847	62,847	62,847
Total current liabilities	<u>62,847</u>	<u>62,847</u>	<u>62,847</u>
Net identifiable assets and liabilities	<u>(12,302)</u>	<u>(12,302)</u>	<u>(12,302)</u>
Cost of acquisition	(12,302)	(12,302)	(12,302)
Loss on acquisition to profit and loss			12,302
Cash			<u>1.00</u>

There were no acquisitions in the year ended 30 June 2009.

- i) The directors believe the receivables are fully recoverable and no provision for impairment is required
- ii) There was no goodwill associated with the acquisition.

i. Revenue and profit contribution

The acquired business contributed revenues of \$444 and net loss of \$629,862 to the consolidated entity for the period 2 December 2009 to 30 June 2010.

If the acquisition had occurred on 1 July, consolidated revenue and consolidated profit for the year ended 30 June 2010 would have been \$444 and \$642,164 respectively. These amounts have been calculated using the consolidated entities accounting policies and by adjusting the results of the subsidiary to reflect the additional depreciation and amortisation that would have been charged assuming the fair value adjustments to property, plant and equipment and intangible assets had applied from 1 July 2009 together with consequential tax effects.

Included with administration expenses in the statement of comprehensive income are acquisition-related consulting costs totaling \$41,000.

32. Contingent Liabilities

Native title claims have been made with respect to areas which include tenements in which the consolidated entity has interests. The consolidated entity is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the consolidated entity or its projects.

The consolidated entity has the following performance guarantees with the Minister for State Development:

ML15/993	\$55,370.00
ML16/309	\$77,297.50

The total limit of the performance guarantee is \$133,000 of which \$332.50 is unused.

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

There is currently a dispute between the Joint Venture participants in regards to the management fee for the calendar years 2008, 2009 and 2010. The expense and liability amounts recorded in the financial statements have not been agreed and are subject to determination by an independent expert. The ultimate outcome of the matter cannot presently be determined therefore no adjustments to the management fees expense and liability that may result have been in the financial statements.

33. Subsequent Events

Other than those listed below there have been no subsequent events since balance date which would have had a significant effect of the Company's financial position.

34. Investment in Associate

	Consolidated	
	2010	2009
	\$	\$
a) Movements in carrying amounts		
Carrying amount at the beginning of the year	8,942,928	7,918,698
Share of profits after income tax	3,277,570	1,483,462
	756,776	-
Share of increment on revaluation of investments	62,214	62,868
Impairment of investment in associate	(1,754,240)	(522,100)
Carrying amount at the end of the financial year	11,285,248	8,942,928

b) Summarised financial information of associates

The consolidated entity's share of the results of its principle associated and its aggregated assets and liabilities are as follows:

	Ownership Interest %	Assets	Group's share of:		
			Liabilities	Revenues	Profit
2010					
Tribune Resources NL*	23.7%	16,416,644	2,715,906	10,369,574	3,277,570

Tribune Resources NL is a listed entity and is incorporated in Australia

	Consolidated	
	2010	2009
	\$	\$
c) Fair value of listed investment in associate		
Rand Mining NL	11,285,248	8,942,928
d) Contingent liabilities of associate		
Share of contingent liabilities incurred jointly with other investors	-	-

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

35. Parent Entity Information

The following details information related to the parent entity, Rand Mining NL, at 30 June 2010. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

Information relating to Rand Mining NL:	2010 \$'000	2009 \$'000
Current assets	11,796,594	-
Total assets	13,249,173	9,008,529
Current liabilities	976,666	942,435
Total liabilities	991,666	957,435
Issued capital	17,578,448	11,453,559
Retained earnings	(7,346,023)	(5,047,548)
Asset revaluation reserve	606,282	226,282
Share based payments reserve	1,418,800	1,418,800
Total shareholders' equity	12,257,507	8,051,093
Profit or loss of the parent entity	(2,298,477)	(339,206)
Other comprehensive income	-	-
Total comprehensive income	(2,298,477)	(339,206)

36. Accounting Error

During the 30 June 2009 audit of the East Kundana Joint Venture it was identified that the incorrect tonnage inputs had been used within the fiscal year 2009 and 2008 underground mine development capitalisation model.

The error resulted in underground mine development being overstated by approximately \$1,209,000, \$1,340,000 and \$(957,000) for the periods ended 30 June 2008, 31 December 2008 and 30 June 2009, respectively. The Company's share was 12.25% of the above amounts.

It was determined by the Joint Venture Manager that the amount of the errors was immaterial and the total error of approximately \$1,592,000, of which the Company's share was \$195,020 was corrected in the 30 June 2009 fiscal year.

It has been determined by the Company that the error is material to their accounts and prior year adjustments have been made.

The accounting error had the following impact in these financial statements and for each prior period presented:

Consolidated Comprehensive Income Statement for the period ended 30 June 2008:

	Previous \$	Consolidated adjustment \$
Change in value of inventories	846,739	8,132
Mining costs	4,033,150	148,103
Depreciation and amortisation	467,297	(42,950)

Consolidated Comprehensive Income Statement for the period ended 30 June 2009:

	Previous \$	Consolidated adjustment \$
Change in value of inventories	1,956,037	26,867
Mining costs	5,692,725	(148,102)

Rand Mining NL
Notes to the Financial Statements
For the year ended 30 June 2010

Depreciation and amortisation	1,819,545	42,950
-------------------------------	-----------	--------

Statement of Financial Position for the period ended 30 June 2008:

	Previous	Consolidated adjustment
	\$	\$
Inventories	1,429,500	(8,132)
Mine development	4,326,450	(105,153)
Retained earnings	331,033	(113,285)

Statement of Financial Position for the period ended 30 June 2009:

	Previous	Consolidated adjustment
	\$	\$
Inventories	3,385,539	18,735
Retained earnings	1,920,599	18,735

Grant Thornton Audit Pty Ltd
ABN 94 269 609 023

10 Kings Park Road
West Perth WA 6005
PO Box 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

Independent Auditor's Report To the Members of Rand Mining NL

Report on the financial report

We have audited the accompanying financial report of Rand Mining NL (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2010, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial report and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion,

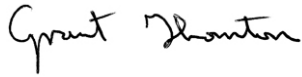
- a the financial report of Rand Mining NL is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the Remuneration Report included in pages 13 to 16 of the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the Remuneration Report of Rand Mining NL for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Director - Audit & Assurance

Perth, 30 September 2010

Rand Mining NL
Directors Declaration

Rand Mining NL and its controlled entities
ABN 41 004 669 658

Declaration by Directors

The directors of the Company declare that:

1. The financial statements, comprising the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cashflows, statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001* and;
 - a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the consolidated entity.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The remuneration disclosures included in the directors' report (as part of the audited Remuneration Report); for the year ended 30 June 2010, comply with section 300A of the *Corporations Act 2001*.
4. The directors have been given the declarations of the chief executive officer and chief financial officer required by section 295A.
5. The consolidated entity has included in the notes to the financial statements an explicit and unresolved statement of compliance with the International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



A Billis
Director

DATED this 30th day of September 2010

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion,

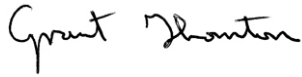
- a the financial report of Rand Mining NL is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the Remuneration Report included in pages 13 to 16 of the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the Remuneration Report of Rand Mining NL for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Director - Audit & Assurance

Perth, 30 September 2010



EKJV MANAGEMENT PTY LTD
PO Box 1662
KALGOORLIE WA 6433
Australia

TEL (+61) 8 9080 6111
FAX (+61) 8 9080 6893

Competent Person's Consent Form

Pursuant to the requirements of ASX Listing Rule 5.6 and clause 8 of the 2004 JORC Code (Written Consent Statement)

Report Description

Raleigh Resource Statement for Rand Mining NL Annual Report 2010

("Report")

EKJV Management Pty Ltd

Raleigh Underground Mine

15 July 2010

Statement

I,David Antony Richards..... confirm that:


- I have read and understood the requirements of the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("2004 JORC Code").
I am a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
I am a Member or Fellow of The Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists or a 'Recognised Overseas Professional Organisation' ("ROPO") included in a list promulgated by ASX from time to time.
I have reviewed the Report to which this Consent Statement applies.
I am a full time employee ofBarrick Kanowna Ltd.....

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources and Ore Reserves.

CONSENT

I consent to the release of the Report and this Consent Statement by the directors of:

Rand Mining NL



Signature of Competent Person:


AUSIMM

15/7/2010

Date:

203408

Professional Membership:



Signature of Witness:

Membership Number:

PETER CARR KALGOORLIE

Print Witness Name and Residence (eg. Town/Suburb):

Additional Deposits covered by the Report for which the Competent Person signing this form is accepting responsibility:

Hornet Open Pit and Hornet Underground (Resource)

.....
Rubicon Underground (Resource)

.....
Pegasus Underground (Resource)

Additional Reports related to the deposit for which the Competent Person signing this form is accepting responsibility:

.....NIL.....



EKJV MANAGEMENT PTY LTD

PO Box 1662
KALGOORLIE WA 6433
Australia

TEL (+61) 8 9080 6111
FAX (+61) 8 9080 6893

Competent Person's Consent Form

Pursuant to the requirements of ASX Listing Rule 5.6 and clause 8 of the 2004 JORC Code (Written Consent Statement)

Report Description

Raleigh Reserve Statement for Rand Mining NL Annual Report 2010

.....

EKJV Management Pty Ltd

.....

Raleigh Underground Mine

.....

15 July 2010

.....

Statement

I, ROBERT SMITH Robert Smith CONFIRM THAT confirm that:

- I have read and understood the requirements of the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("2004 JORC Code").
- I am a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member or Fellow of *The Australasian Institute of Mining and Metallurgy* or the *Australian Institute of Geoscientists* or a 'Recognised Overseas Professional Organisation' ("ROPO") included in a list promulgated by ASX from time to time.
- I have reviewed the Report to which this Consent Statement applies.
- I am a full time employee ofBarrick Kanowna Ltd.....



BARRICK

AUSTRALIA PACIFIC

CONTINUED Page 2

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources and Ore Reserves.

CONSENT

I consent to the release of the Report and this Consent Statement by the directors of:

.....Rand Mining NL.....

ROB

Signature of Competent Person:

23/7/10

Date:

Aus. I.M.M.

Professional Membership:

224669

Membership Number:

[Signature]

Signature of Witness:

ANDREW FRANKIS KALGOORLIE

Print Witness Name and Residence (eg. Town/Suburb):



EKJV MANAGEMENT PTY LTD
PO Box 1662
KALGOORLIE WA 6433
Australia

TEL (+61) 8 9080 6111
FAX (+61) 8 9080 6893

Competent Person's Consent Form

Pursuant to the requirements of ASX Listing Rule 5.6 and clause 8 of the 2004 JORC Code (Written Consent Statement)

Report Description

Hornet, Rubicon and Pegasus Reserve Statements for Rand Mining NL Annual Report 2010

EKJV Management Pty Ltd

16 July 2010

Statement

I,Wilson Royal Feltus..... confirm that:

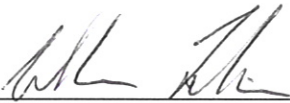
- I have read and understood the requirements of the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("2004 JORC Code").
I am a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
I am a Member or Fellow of The Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists or a 'Recognised Overseas Professional Organisation' ("ROPO") included in a list promulgated by ASX from time to time.
I have reviewed the Report to which this Consent Statement applies.
I am a full time employee ofBarrick Kanowna Ltd.....

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources and Ore Reserves.

CONSENT

I consent to the release of the Report and this Consent Statement by the directors of:

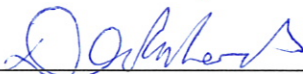
.....Rand Mining NL.....



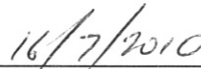
Signature of Competent Person:

M AusIMM

Professional Membership:



Signature of Witness:



Date:

11708

Membership Number:

David Richards, Kalgoorlie

Print Witness Name and Residence (eg. Town/Suburb):



Competent Person's Consent Form
Pursuant to the requirements of ASX Listing Rule 5.6 and clause 8 of the
2004 JORC Code (Written Consent Statement)

ABN 41 004 669 658

Suite G1/2 49 Melville Parade
South Perth WA 6151
Australia

PO Box 307
West Perth WA 6872
Australia

T 61 8 9474 2113
F 61 8 9367 9386
E info@randmining.com.au
W randmining.com.au

Report Description

Rand Mining NL Annual Report 2010

.....
("Report")

Rand Mining NL

.....
Raleigh, Rubicon, Hornet and Pegasus Reserves and Resources Statement

Raleigh ore stockpiled at the Greenfields and Rubicon ROM pads

Wongan Hills Exploration Project

.....
28 July 2010

Statement

I, ...Matthew Paul Sullivan..... confirm that:

- I have read and understood the requirements of the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("2004 JORC Code").
- I am a Competent Person as defined by the 2004 JORC Code, having five years experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member or Fellow of *The Australasian Institute of Mining and Metallurgy* or the *Australian Institute of Geoscientists* or a 'Recognised Overseas Professional Organisation' ("ROPO") included in a list promulgated by ASX from time to time.
- I have reviewed the Report to which this Consent Statement applies.

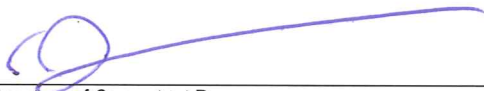
- I am a consultant working for Rand Mining NL and have been engaged by Rand Mining NL to prepare the documentation for the Raleigh, Rubicon, Hornet and Pegasus deposits, ore stockpiled at the Greenfields and Rubicon ROM pads and the Wongan Hills Exploration Project on which the Report is based, for the period ended 30 June 2010.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Results, Mineral Resources and/or Ore Reserves.

CONSENT

I consent to the release of the Report and this Consent Statement by the directors of:

Rand Mining NL
.....



Signature of Competent Person:

30 July 2010

Date:

AusIMM

Professional Membership:

11187

Membership Number:



Signature of Witness:

Lyndall Vaughan Sth Perth

Print Witness Name and Residence (eg. Town/Suburb):

Rand Mining NL
Shareholder Information

Distribution of ordinary shareholders at 2 August 2010:

	Total holders
1 – 1,000	239
1,001 – 5,000	176
5,001 – 10,000	55
10,001 – 100,000	75
100,001 and over	30
TOTAL	575

August 2010:

	Total holders
1 – 1,000	-
1,001 – 5,000	-
5,001 – 10,000	-
10,001 – 100,000	-
100,001 and over	4
TOTAL	4

Less Than Marketable Parcel at 2 August 2010:

Parcel	Holders	Units	Percentage
1-999	224	81,330	0.13%
> 999	351	60,759,879	99.87%
Total	575	60,841,209	100.00%

Minimum \$ 500.00 parcel at \$0.26 per unit

Voting Rights

On a show of hands every member present or by proxy shall have one vote and upon a poll share shall have one vote.

Substantial Shareholders

The name of the substantial shareholders listed in the holding company's register as at 2 August 2010 are:

	Shareholder	Fully Paid Ordinary Shares	% Held
1.	Tribune Resources NL	26,576,764	43.68
2.	Trans Global Capital Ltd	7,899,584	12.98

Stock Exchange Listing

Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the Australian Stock Exchange Limited

Twenty Largest Shareholders

The names of the twenty largest shareholders of ordinary fully paid shares in the capital of the company are listed below as at 2 August 2010.

Rand Mining NL
Shareholder Information

Name	Fully Paid Ordinary Shares	% Held of Fully Paid Ordinary Shares	
Tribune Resources NL	26,576,764	43.68	1
Trans Global Capital Ltd	7,899,584	12.98	2
Auriongold Limited	2,925,360	4.81	3
Lake Grace Exploration Pty Ltd	2,917,000	4.79	4
McNeil Nominees Pty Limited	2,335,615	3.83	5
Sierra Gold Pty Ltd	2,100,000	3.45	6
ANZ Nominees Limited	1,962,909	3.23	7
HKT Au Pty Ltd	1,844,300	3.03	8
Resource Capital Limited	1,604,500	2.63	9
Dom Fund PIF	1,000,000	1.64	10
Dom Fond PIF DD	673,250	1.10	11
Raypoint Pty Ltd	530,000	0.87	12
Mrs P Wichaikul	510,000	0.84	13
Mr Steven Ilkiw	510,000	0.84	14
Mr A Sage	478,660	0.79	15
Mr W Feldhus	425,000	0.70	16
Halkin Pty Ltd	374,396	0.62	17
Teklink Pty Ltd	372,500	0.61	18
Mr H Kai Tong Au	299,800	0.49	19
Southam Investments 2003 Pty Ltd	286,800	0.47	20
Top 20 Shareholders	55,626,438	91.40	
Total Shares on Issue	60,841,209	100.00	

Rand Mining NL
Shareholder Information

Tenement Schedule		
Project/Location	Tenement Number	Rand Interest
Kundana		
Kundana	M15/1413	12.25%
Kundana	M15/993	12.25%
Kundana	M16/181	12.25%
Kundana	M16/182	12.25%
West Kundana	M16/213	12.25%
West Kundana	M16/214	12.25%
Kundana	M16/218	12.25%
Kundana	M16/308	12.25%
Kundana	M16/309	12.25%
Kundana	M16/310	12.25%
Kundana	M16/325	12.25%
Kundana	M16/326	12.25%
Kundana	M16/421	12.25%
Kundana	M16/428	12.25%
Seven Mile Hill		
Kurrawang	M15/850	50.00%
Kurrawang	M26/563	50.00%
Binduli	M15/1233	50.00%
Seven Mile Hill	M15/1291	50.00%
Seven Mile Hill	M15/1234	50.00%
Binduli	M15/1388	50.00%
Seven Mile Hill	M15/1394	50.00%
Seven Mile Hill	M15/1409	50.00%
Seven Mile Hill	M15/1743	50.00%
Kurrawang	P15/4495	50.00%
Kurrawang	PL15/5178	50.00%
Kurrawang	PL15/5180	50.00%
Kurrawang	PL15/5182	50.00%
Kurrawang	PL15/5183	50.00%
Kurrawang	PL15/5184	50.00%
Kurrawang	PL26/3617	50.00%
Kurrawang	P15/4495	50.00%
Kalgoorlie		
Kalgoorlie	PL26/3047	80.00%
Kalgoorlie	PL26/3075	80.00%
Ashburton		
Ashburton	EL08/1616	100.00%
Ashburton	EL08/1617	100.00%
Ashburton	PL08/507	100.00%
Ashburton	EL08/2055	50.00%
Ashburton	L08/48	50.00%
Ashburton	L08/46	50.00%
Kalguddering		
Kalguddering	E70/3646	100.00%